

130th Bergedorf Round Table

Forging a Just Global Order—Trade, Development, Political Strategies

February 18th–20th, 2005, Cairo





Körber-Stiftung
Förderung für Wissenschaft

Good Governance

CONTENT

| | |
|-----------------------|----|
| Picture Documentation | 1 |
| Participants | 20 |
| Summary | 21 |

Protocol

| | |
|---|-----------|
| Welcome | 22 |
| I. What does justice mean to whom? | 23 |
| II. Challenges and mechanisms of development | 53 |
| III. Defining political instruments and priorities | 74 |

Annex

| | |
|------------------------|-----|
| Participants | 103 |
| Recommended Literature | 108 |
| Glossary | 110 |
| Index | 119 |
| Previous Round Tables | 122 |
| The Körber-Foundation | 133 |
| Imprint | 134 |

INITIATOR

Dr. Kurt A. Körber

CHAIR

Dr. Theo Sommer

Journalist, Editor-at-Large, DIE ZEIT, Hamburg

SPEAKERS

Dr. Badria Al-Awadhi,

Director, Arab Regional Center for Environmental Law, Kuwait

Dr. Mark Chingono,

Senior Manager, Policy Development & Research, Centre for Conflict Resolution, University of Cape Town

Professor Larry Diamond,

Senior Fellow, Hoover Institution; Professor of Political Science and Sociology, Stanford University

Professor Rainer Forst,

Professor of Political Theory and Philosophy, Johann Wolfgang Goethe-University, Frankfurt am Main

Professor Sheikh Ali Gom'a,

Grand Mufti of Egypt, Professor of Jurisprudence and Juristic Methodology, Al-Azhar University, Cairo

Dr. Amr Hamzawy,

Senior Associate, Democracy and Rule of Law Project, Carnegie Endowment for International Peace, Washington D.C.

Stefano Manservigi,

Director General for Development, European Commission, Brussels

Professor Norbert Walter,

Chief Economist, Deutsche Bank Group, Managing Director, Deutsche Bank Research, Frankfurt a. M.

PARTICIPANTS

Chanel Boucher,

Vice-President Policies, Planning and Research, African Development Bank, Tunis

Professor Waheeba Faree,

Rector, Queen Arwa University, Sana'a

Gourisankar Ghosh,

Executive Director, Water Supply and Sanitation Collaborative Council, Geneva

Jörg Hartmann,

Director, Center for Cooperation with the Private Sector at the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Berlin

Heba Raouf Ezzat,

Lecturer of Political Theory, Cairo University

Cecilia Leahy Klein,

Director for WTO Accessions and Import Licensing Issues, Office of the U.S. Trade Representative, Executive Office of the President, Washington D.C.

Ambassador Martin Kobler,

Ambassador of the Federal Republic of Germany to Egypt, Cairo

Abou Elela Mady,

General Director and founder, International Center for Studies, Cairo

Reverend Precious Omuku,

Director, External Affairs, Shell Nigeria Ltd., Lagos; Reverend, Anglican Church of Nigeria

Dr. Volker Perthes,

Director designate and Head of Research Unit Middle East and Africa, German Institute for International and Security Affairs (SWP), Berlin

Dr. Thomas Paulsen,

Managing Director, Bergedorf Round Table, Berlin

Julia Steets,

Fellow, Global Public Policy Institute (GPPi), Berlin

Carl-Andreas von Stenglin,

Office President Richard von Weizsäcker, Berlin

Reinhard Stuth,

State Secretary, Hamburg Commissioner for Federal, European and Foreign Affairs, Berlin

Abdul-Wahab Sulleyman,

Ministry of Finance and Economic Planning, Accra

Ulrich Voswinckel,

Chairman of the Board of Trustees, Körber Foundation, Hamburg

Dr. Klaus Wehmeier,

Deputy Chairman of the Executive Board, Körber Foundation, Hamburg

Dr. Richard von Weizsäcker,

Former President of the Federal Republic of Germany, Berlin

Dr. Debrework Zewdie,

Director, Global HIV/AIDS Program, World Bank, Washington D.C.

Dr. Christoph Zöpel, MdB,

Chairman, Subcommittee for the United Nations of the German Bundestag, Berlin

SUMMARY

Does more development aid really lead to greater prosperity? What are the most promising new development aid instruments, and what exactly do we mean when we talk about “fair development?” These were the issues at hand when representatives from Africa, Europe, America, and Asia gathered under the chairmanship of former German President Richard von Weizsäcker and the moderation of Theo Sommer, editor-at-large of DIE ZEIT to discuss the issues of a just world order.

What is just? In their exchange over a common understanding of justice, the participants agreed that peace and security are prerequisites for justice, that human rights are universal, and that in trade, protective tariffs and corruption spawn injustice. There was doubt, however, on whether a global consensus on justice would be a realistic goal. In addition, some participants advised against seeking absolute justice in efforts to resolve political conflicts. Instead, said this camp, we should limit ourselves to compromises acceptable to all sides.

Ideas and Instruments of Development Aid Policy: The objectives and problems of development aid have long been known. Why, then, the overbearing sense of stagnation? What new ideas and instruments promise fresh progress? All participants supported the principle of conditionality in development aid, saying that it was the only way to achieve real progress. It was also pointed out, however, that sometimes the industrialized countries fail to meet their own high standards. Some demanded concentration on the efforts of serious partnerships between state- and non-state development organizations, receivers, and the private sector. Such public-private partnerships, these participants said, are a highly promising instrument of development aid.

Western participants placed their faith in free trade and open capital markets as the most effective means of achieving sustained development—a position sharply criticized by African representatives. Promoting private entrepreneurship in developing countries met with unanimous approval. The participants agreed that more was needed for this than applying just the principles of good governance; many also saw great potential mainly in the instrument of microcredit.

Security and Development: The search for justice, the participants said, could not be allowed to be sacrificed to demands for security and stability. Justice, peace, and development are intrinsically joined, it was agreed.

PROTOCOL

Welcome

von Weizsäcker



Ladies and gentlemen, let me welcome you to our 130th Bergedorf Round Table, in Cairo. Being the gateway to Africa and the heart of the Middle East, the city illustrates some of the challenges we want to discuss during the next two days. Here, tradition meets—or clashes with—modernity, and substantial wealth exists side-by-side with abject poverty. Culturally as well as economically, many things are changing rapidly, but in other areas progress is lacking. We hope that Cairo will also show us some of the possible paths forward. We could see some of the incredible dynamism of this city on our way from the airport. Our conference venue, by contrast, might provide you with some inspiration from the past: the palace at the center of the hotel was built in 1869 for the French Empress Eugenie, who visited Cairo to celebrate the opening of the Suez Canal.

I would like to express my heartfelt thanks for the hospitality being extended to us here in Egypt. When I had the chance to talk to President Mubarak this morning, he expressed great interest in our conference on global justice, because this long term problem has important implications for the day-to-day political problems he is dealing with.

We are glad that Theo Sommer, Editor-at-large of the German weekly DIE ZEIT, has agreed to moderate our discussion. Mr. Sommer is not only a well-known journalist and publicist but also an old friend of the Bergedorf Round Table. His experience of more than twenty Round Tables over the last thirty years will allow him to securely guide us through our three sessions.

The Protocol contains an edited and authorized version of the participants' oral contributions.

I. What does justice mean to whom?

We have gathered here to discuss the subject “Forging a Just Global Order,” a broad topic touching on philosophical questions concerning the definition of justice, on concrete challenges we are confronted with and, of course, on the political strategies to address these issues. We will treat these aspects separately in our three subsequent sessions.

This morning we shall deal with the philosophical ramifications of the concept of justice. To open the discussion, we will juxtapose a Muslim perspective and a more secular Western view. I have the honor to introduce His Excellency, the Grand Mufti of Egypt, Professor Ali Gom’a as our first speaker. His presentation will be followed by the statement of Professor Rainer Forst, an expert on the topics of justice and tolerance from the Johann Wolfgang Goethe University in Frankfurt. Sheikh Ali Gom’a, what role does the notion of justice play in Islam?

Justice lies at the heart of Muslim thinking. I would like to show this by presenting seven aspects of justice. First: Because it is one of the attributes of God—like peace, soundness and wholeness—, justice determines the way Muslims live and deal with other people in their daily interactions. The attributes of God represent the principles by which Muslims live and the scale by which they judge their doings.

Second: In Muslim thought, justice is one of the fundamental human rights which protect man’s intellect, wealth, life, free opinion, freedom and dignity. It must be applied equally to all humans regardless of their faith, race or nationality since it stands above all human conflicts and differences. As the Qur’an says in chapter 5, verse 8: “Let not the hatred of others towards you make you swerve to wrong and depart from justice. Be just: that is next to piety. And fear God, for God is acquainted with what you do.”

Third, justice is a core element in Islamic law. Our legal history stretches over fourteen centuries and has been defined by the search for justice. This holds true for the physical set-up of the court room—the position of the jurors, the judge, the prosecution and the defense—, the succession of evidence and statements, and it has been the thematic focus of the Islamic legal system. Setting out to collect a couple of hundred legal rulings to guarantee justice, Muslim scholars eventually ended up codifying fifteen thousand such rules.

Fourth: As justice is the essence of Islamic law, it has always played a central role when lawyers have been dealing with political questions. Muslim judges have always preferred a just non-Muslim political leadership over a tyrannical Muslim

Sommer

Gom’a

presentation

Justice lies at the heart
of Muslim thinking ...

... and at the core of Islamic law

Muslims prefer a just non-Muslim leadership
over a tyrannical Muslim leadership.

Gom'a

leadership. This increased our religion's ability to adapt to political circumstances, allowing Islam to spread over such a vast geographical area.

Fifth, justice is also the core element in the marital relationship, which we consider the basis of society. Here, equity is the way to justice, because it takes into account the particularities of different persons and circumstances. Equity, though, does not necessarily mean equality, an important distinction to keep in mind

Sixth, justice governs not only the relationship between husband and wife, but also the relation between the rich and the poor. Social security in Islam is built on one of the pillars of our religion, which is Zakat or alms-giving. Properly implemented, this pillar prevents injustice between the rich and the poor. To ensure its implementation, Islam allows the state to intervene under certain circumstances to ensure justice between the different economic levels of society.

Justice is an absolute concept

My seventh and last point is that justice is an absolute concept that changes neither with time, nor with circumstances nor with its application to different people. Therefore, Muslims cannot comprehend how a political leadership can claim to promote justice while basing its decisions on economic and military-strategic considerations. How can one talk of justice while accepting that land is forcibly taken away from its owners and that innocent people are killed? As justice is an absolute concept, it can, in our view, never be based on benefit. There are important powers in international politics, though, that frequently apply double standards and measure political decisions with two different scales.

We must try to find concepts
that we share or can agree upon

I hope that my introduction to the Islamic concept of justice, touching on our tradition, history and literature, provides a basis for understanding some of the differences between the Muslim and the Western view. Understanding is the first step to cooperation. While it is not necessary that all groups involved be convinced by their opposite's arguments, we must try to find those concepts that we share or can agree upon. This will also allow us to recognize and respect the particularities of the others. Understanding prevents hegemony.

Forst
presentation

For the first round of our "omnilogue" on global justice, the organizers from the Körber Foundation—whom I thank for the kind invitation—asked me to address the question what justice means "from the perspective of different religions, regions, sectors and generations."

Do we speak a common or even
a universal language of justice?

In my short remarks, I would like to rephrase that (truly global) question: Do we speak a common or even a universal language of justice, or are we—children of different cultures, ways of life and world views—doomed to a kind of discourse that



uses a term like “justice” in different, incompatible and maybe even incommensurable ways? Indeed, if we look at discussions about global justice especially—in philosophy as well as in politics—we find a large spectrum of ideas, principles, suggestions, institutions, etc., a spectrum full of disagreement and conflict over the very meaning, not just the institutions, of justice. And this not just between “cultures” or “civilizations” or religions allegedly clashing, but *within* various cultures and societies—and occasionally even within ourselves as individuals.

True, we find the idea of “justice”—say: of a justifiable order of human relations with respect to what human beings who share a social context owe to each other—widely across cultures and times, starting from the ancient Egyptian idea of the order of “Ma’at” via the Hebrew “Sädäq” to the ancient Greek “dikaiosyne” or the Roman “iustitia.” But if we began with these sources and reconstructed the genealogy of our current discourse(s) of justice, we would have to tell a very long and complicated story, and we would end up with a number of different and rival conceptions of justice: some religious, some liberal, libertarian, utilitarian, egalitarian, communitarian, feminist, etc.

Nevertheless, we may be able to identify some core elements of a concept of justice among these very different conceptions, and in fact, we would hope to be able to do so, for otherwise we could never develop a universal language of justice—as the basis for meaningful debates about its proper meaning in given contexts. I want to mention four points that seem essential to me.

1. Justice is a virtue both of persons and of social institutions, and it is a principle-oriented virtue, the most important principles traditionally being “neminem laede” and “suum cuique,” to express them in their classic Latin form. The grammar of justice, so to speak, is based on general norms of treating human beings properly, doing justice to their justified claims, especially—in modern language—to their individual rights claims. The presupposition, however, is that there exists a common “context of justice,” i. e. a context of relevant social relations, goods, duties and justifiable claims as to how these relations should be structured.

2. Justice is a human virtue, but it is no accident that in many ancient cultures justice appeared as a goddess, expressing the higher-order validity of norms of justice. As the previous speaker, the Grand Mufti Sheik Goma’a has emphasized, it seems that we are not free to “invent” such norms arbitrarily. Especially political rulers have always been seen as having the power but not the legitimacy to do so, as Socrates argues in his debate with Thrasymachos in the book that lies at the beginning of Western discourse about justice, Plato’s *Politeia*. In that way, the

Throughout the different cultures we find a broad spectrum of definitions ...

... are there common core elements?

Norms of justice claim a higher-order validity

Justice is not primarily about what you have
or receive, but about how you are treated.

Forst



There is a categorical difference between
the duty of justice and charity

idea of divine justice “from above” links up with the idea of justice “from below:” as an expression of revolt against unjustified domination and the arbitrary exercise of power. The history of justice, if one were to tell it, is the history of such struggles—not only about the meaning of justice but especially about *who* defines what justice means.

3. There is an important difference between what is owed to others for reasons of justice and what is demanded in terms of other moral values and duties, such as beneficence or charity. It is always a good thing to give to someone who is in need, but there is a categorical difference between giving out of duties of justice and giving out of charity or humanitarian concerns. Justice, in Kantian terms, is a “perfect duty,” fulfillment of which is strictly demanded and circumscribed, while beneficence is not.

4. Justice is an intersubjective virtue: It is about the quality of social relations among human beings, about how they treat each other. There is no general agreement as to what that means—treatment according to standards of equality, desert, or need, to mention the most important criteria in that respect—yet there seems to be one overarching criterion beyond disagreement: not to be treated arbitrarily, without good reasons, without a sufficient justification. So contrary to important trends within current and past theories of justice, justice is not primarily about what you have or receive, but about *how you are treated*. It is mainly about whether persons are respected and treated according to their dignity, or whether they are humiliated, ignored or oppressed. Thus there appears one higher-order principle of justice, a reflexive one: Whatever justice means in more concrete and “thick” cultural terms, it always presupposes that those who are treated by others are seen as agents with what I call a “right to justification,” a right to be given adequate reasons for the rules and norms they are supposed to live under, especially in a political context. This is the starting-point for a discursive “construction” of norms of justice.

These four points have important implications for our discussion about global justice, I think. Let me explain.

Norms and structures form
a “fundamental” justice

1. Between as well as within different societies, there can and there will be many conflicts over the meaning and the right institutions of justice, yet there must be no conflict about the general principle that, in each of these conflicts, those involved must respect each other as partners having substantive and equal rights of justification. Thus, speaking in reflexive terms, the norms and structures that make such discourses about justice possible already form a conception of jus-

tice, primarily of procedural justice, and I call this “fundamental justice.” To speak of “global justice,” however, presupposes that beyond more concrete contexts of justice such as states, the political, social and economic relations that exist in the transnational sphere do suffice to regard the globe as a context of justice. I believe that this is the case, yet surely there will be disagreement about that.

2. Justice is the virtue of (always imperfect) corrections of human failure and of the abuse of power; a reflexive virtue of self-correction. Yet precisely in order not to lose its universal and higher-order validity, justice must be based on normative considerations that are common to all human beings, independent from the religious beliefs that separate them. The basic ideas of justice will be and can be phrased in different religious languages, but they must have an autonomous, truly universal grounding in a notion of human dignity and respect. Otherwise, there can be no *shared* conception of global justice, just overlapping ones—even though overlapping notions of justice may be an important step towards such a shared conception. And discourses such as ours can be such steps.

3. Recipient-oriented perspectives of justice must be avoided, for otherwise we will not be able to distinguish normatively between the kind of help that we owe to victims of a natural disaster, for example, and the things we have to do in order to save people from starving because they suffer from injustice. To treat the latter like the former, as if they were victims of a natural disaster, is wrong, in a normative and an empirical sense. This is important in the current discussions about global justice, where many—quite rightly—argue that the affluent societies must do much more than they do at present in order to abolish the severe poverty of a quarter of all human beings on earth. But it is essential to know whether this is something owed as a *duty of justice*, i. e., a duty of those who benefit from and uphold a global political and economic system that produces extremely unequal shares of profits and wealth as well as hardship and poverty—or whether this is due for *humanitarian* reasons. For if it is a duty of justice, the reason is that the better-off share a context of (in)justice with the worse-off, a context that developed historically (as a result of a long history of domination and exploitation) and exists politically (linked through many formal and informal political ties) and economically (again through a number of formal and informal connections within the global market), not to mention the common fund of natural resources and common problems like pollution.

So given that this is a justice-relevant context, as I believe, the first task is to establish structures in which all those who are part of that context have an

In spite of different religious beliefs justice can be grounded in the universal notion of human dignity

Do we fight poverty out of a duty to justice or for humanitarian reasons?

The aim should not be to redistribute, but to change the structures of production

adequate standing so that they can raise their claims to a fair share of the goods and benefits produced. And even if we do not know what the results of such a rearrangement would be, we can think of what the first steps would have to be, namely the establishment of institutions that guarantee fair political procedures and negotiations about how to restructure the global system, at least partially. Hence I argue for an explicitly *political*, institutional turn in the debate about global justice. The aim of such policies would not primarily be a redistribution of goods that leaves the recipients in a situation of dependency, but a change of the structures of the use of resources, the production of goods and the distribution of benefits. Justice—again—is about how persons are treated and respected, and simply to redistribute goods as a symbol of good faith without structural change is not what it demands. The debate should therefore not be focused on lists of basic needs and questions of minimal nutrition and care; for important as that is, the debate should rather be focused on the very structures that lead to poverty, hunger, sickness and the lack of education.

The first step towards global justice:
to establish structures of fair negotiation

4. The first step towards global justice, then, is the strengthening of existing arrangements of fair negotiation and bargaining and thus of the adequate justification of the distribution of positive and negative results of the global market—and the establishment of such institutions where they do not exist. This is the primary duty of justice for all those who are part of that global context and who have the means to act in such a way. Again, we do not have a fixed idea of what the result would be, i. e., we do not know whether we will really find a thicker universal language of justice than the minimal one. But we do have a sufficiently common vocabulary and grammar of fundamental justice at hand, and if it were to materialize institutionally, a decisive step towards a more just global system would have been made.

Justice means not having
to suffer from arbitrary rule

Of course, since this argument is based on a notion of dignity and respect for others as persons with a right to justification, it is also valid within single societies of the global system, where we often find internal structures of an arbitrary denial of justification that lead to underdevelopment and disorganization—internal injustices, to be sure, that often are supported by external factors (for example by the international recognition of the right of dictators to borrow money and to use the resources of the country they dominate). So these are not purely “internal affairs” of such societies. Obviously, the protest against such forms of domination speaks many different languages, but it also speaks the universal language of justice: not to suffer from arbitrary rule. Hence if we think of political institutions and



structures that help create a more just global system, the voices of those who often enough do not sit at the tables of official political power need to be included.

After these two splendid introductory statements I would like to add a third perspective to our discussion. Reverend Omuku, you are not only Director for External Affairs at Shell in Nigeria, you are also an Anglican priest. What role does justice play in the Christian faith?

Sommer

I knew that my collar would get me into trouble... Actually, rather than presenting a specifically Christian view of justice I would like to point out that all religions have similar views of justice: They all demand that people treat other people well, that you treat others the way you want them to treat you.

Omuku

I would like to put Mr. Forst's concept of a mutual duty of care into the context of the global order by applying what I call the concept of the village. In old African villages everybody knew everybody else, and everybody cared about how the others lived and what they did. This care even extended to relieving poverty. If a poor family had a bright child they could not afford to send to school, the village got together and paid for that child. They felt it was part of their duty. If today we are living in a global village, we may not sit by idly while other inhabitants are in trouble. First, because it is part of our duty and, second, for the selfish reason that other people's trouble will eventually affect us.

Is there a common language of justice? Or ...

I am convinced that there is a common language of justice and that we owe each other to see to it that justice is universally applied. We cannot keep quiet while injustice is alive and well in some parts of the world, which means that we cannot accept the widespread poverty we see today.

We have tried in vain for two hundred years to find a universal language of justice. I think that it is time to re-question the goal of universality itself and pursue the more realistic aim of managing overlapping languages of justice. Our focus should be to establish institutions that ensure a functioning management of the existing differences and communalities.

Hamzawy

... is the aim of managing overlapping languages of justice more realistic?

I also think that it is not helpful to factor out religious or ethnic aspects to establish a universal concept of justice. This attempt has failed throughout the nineteenth and twentieth century. We should be more modest in this regard, too, and try to find ways to integrate these religious and ethnic understandings in different overlapping languages of justice.

Hartmann

I doubt whether conflicting understandings of justice really are a major problem. Most conflicts stem from conflicting self-interests, not from irreconcilable concepts of justice.

Sulleyman

The golden rule: do unto others as you would wish them do unto you

Even though the meaning of justice varies between generations and cultures, I am convinced that the core principles of justice—being just and fair—are universal principles valid in all generations and cultures. The so-called golden rule defines justice as doing unto others as you would wish them do unto you. Building on that, the renowned German philosopher Immanuel Kant said that to be just is to let the maxim of your action be the basis of universal law. This Kantian categorical imperative applies to trade, human rights and every other sphere of life.

Al-Awadhi

All too often, cultural differences are invoked simply to justify unjust practices

I am equally skeptical about any relativist understanding of justice. All too often, cultural differences are invoked simply to justify unjust practices. For example, I do not agree with the Mufti that between men and women equity does not mean equality. In my country, Kuwait, women have no political rights yet. The government usually explains that with reference to the specifics of Kuwaiti culture. But in reality, women are denied political rights by the fundamentalists in our country for political reasons. In this context, the concept of justice may not be so useless after all, because justice is universal and culture is not an excuse for suspending it for certain groups.

People are not yet ready for a common understanding of justice

I am very optimistic that we can find a common standard of justice. But I am pessimistic about the concrete prospects of achieving justice. The European Court of Justice is functioning very well. By contrast, establishing a Regional Arab court of justice has been on the agenda for over twenty years but it will probably never come into existence. We are not even able to find a common language at the regional level because people are not ready for it. Common institutions have no chance of realization or, if they come into existence, of success, as long as education has not prepared the ground. Education is at the core of everything. We have to start creating a global acceptance that justice must be done to everybody regardless of his sex, religion or social background. We have to teach young people all over the world the golden rule to do unto others as they would wish others to do unto them.

Faree

True, traditional or cultural reasons often serve as a pretext for violating internationally valid minimum demands of justice, for example to exclude women from

The further societies develop, the further they expand their definition of human dignity.

Boucher



public life or participation in civil society or political life. It is difficult, though, to find a common definition of justice, because what one considers just is as subjective as what one sees as good or beautiful. The complexity of the notion of justice is obvious in the history of the United Nations' Universal Declaration of Human Rights. When the declaration was passed in 1948, it was intended to include ideas that all religions and all nationalities could agree upon. Later, though, it was deemed necessary to add the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights in 1966.

Universal principles of justice can be established as long as they remain on a very basic and abstract level, but the more specific definitions get, the more cultural and religious divergences come into play. As all humans strive for survival, the right to live is the most fundamental human need and the inviolability of life is universally valid. The golden rule, to do onto others as you would wish them do onto you, is an equally universal rule of human interaction. After that, though, concepts differ with time and space, depending on the prophet that you have chosen to follow or on the government you have. All great legislative documents from Hammurabi's Code of Laws and the Code Napoléon to the US Constitution regulate the interaction of citizens, thus creating a specific culture of how to apply the golden rule.

For example, a survey of children in the US and in Thailand recently showed substantial differences in what the children of each country considered as their most important duty. While American children considered it as the most important rule never to tell a lie, Thai children listed it as number five or six, way below respect for parents or saving face. This diversity, to my mind, is desirable, and the multiplicity of cultures, religions and traditions should be nurtured.

Our understanding of justice is not only diverse, it is also constantly changing according to the state of development of our societies. Once they reach a certain level, societies tend to codify a threshold which defines what human dignity is. The further they develop, the further they usually expand this definition. In our societies, for example, the twentieth century has been determined by applying the concept of human dignity much more comprehensively—the rights of women, of the handicapped or also of the non-smokers came into focus. The fact that there is, all in all, a progressive development makes problems like driver's licenses for women in Saudi Arabia less pressing—fifteen years ago, women in Switzerland did not even have the right to vote.

What one considers just is as subjective as what one sees as good or beautiful

Boucher

Universal principles of justice always remain on an abstract level

The etiquette of doing justice demands that you do not throw alms in the face of the receiver.

Heba Raouf



Heba Raouf

I am amazed to see in this discussion that people from different cultural backgrounds have overlapping concepts of justice. Even though we will probably fail to reach consensus in many areas, we can discover common ground in others. Comparing one's own culturally determined views with the wisdom of other cultures also allows one to rethink and revise one's own concepts.

Alms giving, Zakat, is an Islamic system to establish social justice

Mr. Forst rightly pointed out that only institutions can guarantee justice beyond individual actions stemming from voluntary compassion. Coming from an Islamic background, I would like to talk about the institution of alms-giving. As Sheikh Ali Goma'a mentioned, Zakat is one of the pillars of Islam. Often wrongly translated as charity, Zakat really is a system to establish social justice. The first civil war in Islamic history broke out because the state had to force a tribe to pay Zakat, which means: to keep the social contract. Originally intended to provide funding for education, places of prayer or clean water at a local or regional level, Zakat could today be used to achieve developmental goals. It is not easy, though, to convince wealthy givers to shift from the individual to the structural level. Many of them prefer to give directly to those in need. Fatwas have been issued and institutions have been founded to establish this new use of Zakat in the Islamic world.

The donor should give in a humble manner

Zakat provides guidelines also in another area. Giving alone is not sufficient: one must give in an appropriate way. When you give Zakat to a person, you should do it with your palm turned up. He who receives takes from you, while you as the donor feel that your hand is the lower hand. The etiquette of doing justice demands that you do not throw alms in the face of the receiver. Those guidelines were developed for individuals, because all religions started on the level of the village. Today, we must apply them to the institutions of our modern multi-million communities, translating individual moral religious values into institutional rules. For example, if we provide social security through modern bureaucracies, the equivalent to giving with your palm turned up is to respect the right to privacy of the receivers. No one has a right to see what amount of money I get; I should not be humiliated because I get social security.

Next to establishing institutions we must uphold the sense of individual moral obligation

Another challenge for modernizing and modern societies is to preserve the feeling of moral obligation on the individual level. Luckily, the modern state has established institutions to take care of most important problems. The downside to that is that people are taught to mind their own business because there will always be some institution responsible for the problem at hand. Individual moral obligation, though, is a basic precondition for voluntary work, for example in



human rights or women's rights movements, and thus for a functioning civil society.

According to the Indian tradition, kings had to behave as servants of the people when donating to the poor. The recipient is not humiliated but obliges the giver by accepting the gift. To be sure, many kings exploited their people, but when they gave alms, they had to be bare-footed, in loincloths, and with a bare upper body to demonstrate that they gave with humility. Our development organizations, including the UN, should learn from that. The question of etiquette goes down to formulations. If the UN and the donor nations decide, for example, to call its agencies external support agencies instead of donor agencies, that has an impact, small as the difference may seem.

Concerning your remarks on the etiquette of giving, I very much agree that the donors must not humiliate the recipients. On the other hand, recipients can contribute to overcoming their passive role. Even though some of them have a capability to work by themselves, their attitude to grab what is on offer is much more developed than their sense to try as hard as they can. Like it or not, moral hazard is a problem in development aid.

I think that theological or philosophical definitions of justice cannot sensibly be separated from the question of political structures and mechanisms for implementation. Justice, however just it may seem, cannot be established in a top down manner, but must be developed bottom up to secure legitimacy, for example in the form of developing a constitution in an elected constituent assembly. At the level of implementation, theoretical, structural and practical aspects all merge into one.

Since people are guided by their religious beliefs and their religious leaders, one major cause of today's lack of justice is the lack of tolerance. Could the religious leaders of the world not create a movement to fight intolerance and the notion of lesser humans—defined as infidels or untouchables—by stressing that all humans are equal? Bishop Tutu has clearly stated that all religions are equal and pursue the same goal; and Swami Vivekananda, the founder of the Indian Ramakrishna Mission said: To me, God is less important than the human being. The Sufi culture in Iran, Pakistan, India and Bangladesh has expressed the same idea. I think that a global movement of that kind is the only way to fundamental changes.

Ghosh

Walter

The recipients should overcome their passive role

Ghosh

One major cause of today's lack of justice is the lack of tolerance



Can the UN in its current form bring about justice?

One of the most important actors when global justice is concerned is the United Nations. While I object to some of the accusations brought forth against the UN, I am also deeply skeptical that the UN in its current form, which counts dictatorships as well as democratic nations among its members and gives them equal rights (e.g. Rwanda), can bring about justice. On the other hand, if the UN does not manage to include the private sector and civil society on an equal footing, it will not be able to establish sustainable peace in a world where globalization makes borders increasingly fragile.

Boucher

Declarations will not be effective if no deep conviction lies behind them

It would be very useful to codify a basic threshold for human dignity on the global level. The UN's Millennium Development Goals are a meek attempt of an organization that lacks the muscle to enforce them. Having governments voluntarily subscribe to the objective of raising their development aid to 0.7 percent of their GDP will probably not be very effective. If we want to make concrete progress, we must create an understanding that clean water or treatment for HIV/AIDS are basic human rights, not just goals governments may or may not subscribe to. As we have no world government, it is a real challenge to create not necessarily institutions, but some kind of mechanism or other form of persuasion to lend power to our demands.

Klein

One cannot discuss justice without discussing institutions

We should not discuss global justice without analyzing the process of its administration, which means to think about institutions. As a Christian, I know what my duty is towards other men and women, through my civic participation I know what my duty is within my country and my state. But outside the bounds of faith and the village, if you will, responsibility becomes an issue.

Governments are instituted among men to establish justice—as on the North American continent in 1861. But who selects the people who administer justice, what lends them legitimacy and who holds them accountable? The rule of law is one answer to that. Justice is brought about if the laws are made by the people subject to them.

We must ask these questions if we try to roll out the concept of justice into the global framework. What institutions are we going to use? How can we ensure minimum rights? What will be the role of democracy? In my country we are very sensitive to these things.

I would also like to contribute a conceptual question to the discussion. Is justice the justice of outcomes, the guarantee of a minimum level of wealth, or is it

You paint an overly positive picture of civil society organizations as the main agents of justice, while at the same time depicting nation states as the embodiment of evil.

Hamzawy

the opportunity to achieve, to have dignity and to produce for yourself and your family? Another notion we should discuss is fairness, which is an integral part of the idea of justice.

I agree that to bring about justice, we need appropriate political structures and instruments. The most common instrument, the international declaration, has one fundamental weakness. If a nation signs on to a charter of some kind, that does not necessarily mean that it will live up to its commitments. We need to have checks and balances, if we really want to build a just order. Only a changed United Nations with teeth and an independent funding could exert pressure on states and prevent powerful nations or regional groups from becoming bullies of the international community. We should also foster the rise of civil society in problematic states, because this is where debates on human rights, justice and injustice take place.

The increasingly global involvement of non-state actors in conflict resolution and prevention is a very promising development. Today, there is a moral obligation for the global civil society not to leave conflicts to the hostile parties, each defending its own notion of justice. Half a million people taking to the streets in London or Washington to proclaim that the war in Iraq is not fought in their name is one impressive example. Another example are the networks promoting alternative forms of globalization. They express people's doubts about the capitalist system and at least force this system to improve its own mechanisms in a very clever way, as it usually does.

To my mind, you painted an overly positive picture of civil society organizations as the main agents of justice, while at the same time depicting nation states as the embodiment of evil. I would like to point out that the nation state, at least in the European liberal tradition, has always been an agent of social justice. What we need are institutions that fulfill the function of the nation state at the international level to promote international justice.

I am convinced that we badly need an active civil society. But I am skeptical that a civil society in our more and more anonymous globalizing world can easily be based on shared ethical convictions that are not only written down but firmly rooted in the minds of people. Justice is an important concept, but maybe it is as ill-suited

Omuku

We need a UN with teeth

Heba Raouf

Global civil society is obligated not to leave conflicts to the hostile parties

Hamzawy

Walter

Is the concept of justice as ill-suited to our modern world as the Ten Commandments?



to our modern world as the Ten Commandments. Maybe ours is the time for more mundane answers, down to earth concepts and second-best institutional set-ups.

Perthes

Whoever demands justice will not accept compromise

The extremely thought provoking introductions left me with one major concern. I doubt increasingly whether the concept of justice can guide practical political action. Speaking of international politics, are we not in danger of making most conflicts unsolvable if we raise the expectation that a just solution can be found? As both lecturers mentioned, justice is a divine and absolute concept and as such difficult to reduce. Whoever demands justice is not prepared to accept compromise. The reality of practical politics, though, often leaves no other option than accepting injustice in some areas in order to eliminate it in at least some others.

Let me demonstrate this with three examples. First, both parties in the Arab-Israeli conflict are rightly asking for justice. But if we want to develop a shared concept for dividing the former Palestinian territory, this longing for justice will not take us very far, because justice means very different things on both sides of the borderline. We may be able, though, to reach a mutually acceptable fair solution, and sometimes, a bird in the hand is worth two in the bush.

My second example concerns the Millennium Development Goals. The UN has set the goal of halving the number of poor in the world. Is that just, and for which half of the poor? If we measure pragmatic goals and improvements against the concept of justice, it never seems enough.

Third, applying the word justice may be politically unwise simply because it makes it harder to sell a political concept to other cultures—a question of tact. The US was aware of that when it renamed its campaign in Afghanistan against the Taliban and Al-Qaeda from Operation Infinite Justice to Operation Enduring Freedom. They recognized that the notion of justice would offend the Islamic world; justice is too religious a concept to be of use in global politics.

For all these reasons, I want to advise caution in using the term justice. We should rather speak about fairness. Mr. Forst developed a concept of minimal justice which means not that everybody receives equally, but everybody is treated equally. This kind of fairness may be a more workable concept for international politics. Justice, by contrast, should be seen as a remote goal that can be approximated here and there.

Sommer

Being a historian by training, I wonder whether the notion of justice is to a certain extent subject to historical contingency. One example from German history might

Is it just to halve the number of poor people, and which half of the poor?

Sometimes peace serves justice
more than justice serves peace.

Sommer

be relevant for the question of the Palestinian refugees. After Germany had attacked Poland in 1939, Poland in 1945 annexed about a quarter of the German territory, expelling millions of German inhabitants. If Germany had insisted on the return of these expellees, we would not have arrived at the state of reconciliation and peaceful neighborliness which we have today. Maybe sometimes peace serves justice more than justice serves peace.

As a theologian, I would like to point to one aspect that makes justice a problematic concept for conflict resolution. The history of religions shows that applying the notion of justice always lends a certain sense of urgency to one's cause. Those who strive for justice have no time to discuss or to wait and see. They want justice here and now.

Justice is of limited use as a guiding concept for political action. Even though many people invoke it nowadays as a sort of ideological justification for actions, politicians often have to base their decisions on what is feasible at a certain moment—which is not necessarily global justice. To put it provocatively: Should we really spend our time looking for a globally-agreed concept of justice?

I must admit that to me as a lawyer, the title of our Round Table seems very ambitious. While global justice is a noble goal and an important topic for philosophers, those who deal with real life are in need of more concrete and modest aims due to the nature of their work.

I disagree with the idea that it would be wiser to do away with the notion of justice in international politics, simply because we cannot leave it out of discussions about political conflicts. What we should do is differentiate between a transcendental and an operational level of justice. As both sides in the Israeli-Palestinian conflict are striving for justice, we must find a way to operationalize justice in concrete political conditions.

For sure, we cannot and should not do away with the concept of justice altogether. But we should be aware that justice on the individual level is much easier to define than on the level of international politics. Everybody across the boundaries of nations or religions agrees that people should not be tortured or sold into slavery.



Hartmann

Manservisi

Al-Awadhi

In real life we need more
modest aims than justice ...

Hamzawy

... but we cannot leave the notion of
justice out of international politics

Perthes



In the context of international political conflicts between states or collective groups, though, things look different. Both in Palestine and in the case of Poland and Germany, territory was occupied and people were driven out. For Poland, we have already reached a solution, in the case of Palestine we will hopefully find one within the next fifteen years, but none of these solutions is or will be a just solution. They might be durable, fair or acceptable, but people will lose or have lost their property because their country's former leaders committed mistakes or crimes. They are paying for the sins of others, and justice is done neither to the dead, nor to the living. Still these solutions are good because they lead to peace, on which individual rights and individual justice can be built.

Demanding justice can
prolong conflicts eternally

So maybe justice is not the appropriate yardstick for international disputes, and we should rather strive for peace, development and health in order to establish human rights and the rule of law. To my mind, demanding justice for one's people, one's state or, even worse, historical justice, means asking for an ideal world which we will never have, and thus to prolong conflicts eternally.

Hamzawy

The trouble is that some communities simply do not feel like accepting the rational approach to abandon the pursuit of justice for peace, health and development, because the struggle for justice is part of their collective memory. Apart from that, we cannot simply declare that other goals are more important than justice without legitimizing these new notions themselves.

Three factors can facilitate the legitimacy of
concessions: a unique historical moment ...

I think that three factors can facilitate the legitimation of alternative goals or values. One of them is a unique historical moment, when a fundamental crisis paves the way for concessions that would have been unthinkable before, and for a new, at least partially rational approach. Germany's re-orientation after 1945 is one example of that.

... democratic institutions,
and religious or moral notions

The second factor relates to institutions. Democratic institutions can convey a sense of legitimacy to historical concessions and to a new meaning of justice. As long as communities lack democracy and political representation, such changes will hardly be sanctioned.

Thirdly, religious and moral notions can help to legitimize historical concessions as well. How exactly this transmission between the transcendental level and notions guiding our daily life works, though, and how it can be used sensibly, is something we have yet to understand.

The Balkans show: insisting on justice can hinder political progress towards peace.

von Weizsäcker

Mr. Perthes, do you suggest doing injustice to a certain group of people in order to achieve peace? I think that your search for a pragmatic solution for a conflict puts you in danger of missing the essential point and the question of responsibility. It is objective injustice against the Palestinians that constitutes the reason for the Israeli-Palestinian conflict. The right of return is not a gift from Israel we might simply set aside to achieve peace, but a fundamental right. So even if, as Mr. Sommer suggested, justice is historically contingent, the right of the Palestinians to live in peace in their own home cannot be taken away, and the Palestinian hope to return will not wither away, whether it takes one year or one hundred years.

Of course I am not calling for active injustice to be applied. But in certain historical situations, communities have such a different understanding of justice that no solution will ever be called just by all parties involved. Such circumstances require historical compromises. If both communities feel that justice has not been done but they and future generations can live with the outcome, that is probably all you can expect.

Renouncing a 100 percent just solution might even pave the way for justice on an individual level, as the case of Germany and Poland shows. Now that both countries are members of the European Union, Germans can go back to Poland and, after a certain transition period, buy land to settle there, as many of them did in Alsace-Lorraine in France.

That is exactly where justice lies. If we allow individuals to freely engage in economic activity and migrate, the whole question of nation states' boundaries and related quarrels becomes obsolete. An Indian Muslim who has a family in Pakistan, or a Pakistani Muslim with a family in India should be able to easily transgress borders freely without visa problems, to meet his relatives and maybe settle down where they live. That is all. As an individual, I do not care if and why governments fight, and individual rights are more important than the fights of governments against each other.

My recent trip to the Western Balkans reinforced my conviction that insisting on historical justice can hinder political progress towards peace. At the moment, it seems impossible for Serbs and Albanians to live together peacefully. To overcome

Mady

Pragmatic conflict resolutions often miss the question of responsibility

Perthes

If there is no just solution maybe there is at least one everybody can live with

Sommer

Ghosh

von Weizsäcker

Justice is only one aspect of what makes a solution appropriate in a given historical situation.

Kobler



this deadlock, we need not only to establish the rule of law and ensure that people in their villages are protected against attacks. We also have to foster the rapprochement and eventual accession of these countries to the European Union, a most successful institution as far as peaceful coexistence of previously hostile groups is concerned. We should not rely only on a detailed and final statement by the International Court about who has been which kind of criminal and has committed what crime in the past as a precondition for EU accession. The question of how peace relates to justice is of the utmost importance in the Balkans—and until now it remains unsolved. The final aim is reconciliation between neighbors.

Kobler

Sometimes it is wiser to renounce legitimate rights in a compromise for the sake of higher goals

The tension between justice and peace is a major topic for everybody working in practical day-to-day politics in this region. Let me exemplify the problem with a very simple analogy. In Cairo's daily traffic, I have the right of way. But if somebody else takes my right of way, as happens regularly in a traffic system governed exclusively by honking horns, I do not insist on it because the result could turn out to be mortal—conflict prevention is more important in this case. Under certain circumstances, it is wiser to renounce legitimate rights in a compromise for the sake of higher goals. Durable, peaceful, fair or acceptable solutions are what we should aim for. Justice is only one aspect of what makes a solution appropriate in a given historical situation.

Ghosh

An eye for an eye only ends up making the whole world blind, as Mahatma Gandhi said. If we forget the past and move forward at the humble individual level to allow people to live a better life, we will in the long run even be able to achieve justice and peace at the same time.

Al-Awadhi

I refuse to simply accept that there are different opinions on what is just. If Israeli Prime Minister Ariel Sharon declares, as he did yesterday, that even after a peace settlement the Palestinian refugees will not be allowed return to their country, I am not prepared to call this an acceptable position on justice. It is simply unjust because it violates the Palestinian's right of return.

Heba Raouf

The status quo is not always a legitimate basis for negotiations

I dispute that compromises are good per se, precisely for the reason that some compromises are unjust. To me, a compromise is defined by mutual concessions. Now, with the compromise you are demanding for the Israeli-Palestinian conflict, what would the Israelis concede that is legitimately theirs? The current status quo

is not a legitimate basis for negotiations because it was created through 60 years of forcibly taking more and more land from the Palestinians. Today, the Palestinians are supposed to forget about their right to return and about their history. People expect them to be content if they can keep the little that is left of their land—maybe they should even thank Mr. Sharon for that... Such a Palestinian state would have no assets at all.

Even though I agree that it is problematic to base a compromise on the current distribution of territory—do you not think that more would be left of Palestine for the Palestinians to negotiate about if they had been ready to compromise and talk earlier?

I doubt whether unjust compromises are sustainable in the long run. To my mind, we are witnessing the expansion of the notion of justice. We have now reached a stage where we even consider the right to information as a human right. Agreeing on an unjust compromise about the Palestinian territory, though, would mean to apply a reduced version of justice. Apart from the fact that this may not be fair, it might also be of limited use because reduced notions of justice are not sustainable in the long run.

There sometimes is a need to trade justice for peace if these two goals are incompatible. For example, the former Liberian President Charles Taylor was granted immunity in exchange for stepping down as president. Many groups or dictators continue fighting because they are afraid of being tried and going to prison. You can end conflicts peacefully and prevent people from dying only if you guarantee the guilty that they will not be tried. Are compromises justifiable under such circumstances?

Even though I refuse to accept one of the current proposals for solving the Israeli-Palestinian conflict as a fair compromise, compromises are of course generally the appropriate way of solving conflicts. Be it in the Balkans, South Africa or Morocco, an indispensable precondition for compromise is building trust between the parties involved. This can only be achieved through a long process of reconciliation that enables people to come to terms with the past and look to the future. We should assign more importance to this important process.

Sommer

Sulleyman

Unjust compromises are not sustainable

Chingono

Heba Raouf

An indispensable precondition for compromise is building trust between the parties

The basic rights of Saudi Arabian women are better ensured than for many women in Europe.

Al-Awadhi

Walter
Women in Saudi Arabia are still not allowed to have a driver's license

I would like to take our insights from an abstract level to the realities of politics. If, as I understood from both presentations, human dignity is something humans cannot decide upon because it is coming from above, this concept is universally valid. That has important implications for the right of the unborn, the disabled or the terminally ill. I also doubt that the universal validity of human dignity is consistent with the fact that Saudi women are still not allowed to have a driver's license.

Al-Awadhi
The Western focus on issues like driver's licenses is annoying ...

When you call it unjust that Saudi Arabian women are not allowed to drive, though, you follow the Western tendency to exaggerate the moral importance of this problem. The basic rights of Saudi Arabian women, the right to education or the right to work, are better ensured than for many women in Europe. A culture of privacy and segregation for women does not mean that they have no rights. Frankly speaking, the Western focus on things like driver's licenses upsets me because as a woman, I want basic women's rights implemented which are written down in the ILO standards concerning women workers. Women in Saudi Arabia have no driving license, but why would they need one if they have a driver? I have been driving for twenty years, and believe me, I would prefer to have a driver.

Walter

Of course, basic needs like nutrition, health and education are much more important than driver's licenses. But today, in countries that lack a functioning mass transportation system, women of the lower or middle classes simply have less freedom of choice if they are not allowed to drive their own car. Not everybody can afford a driver.

Sulleyman
... we should rather demand broader freedom of expression in the Arab world

If you criticize that some countries do not allow women to acquire driver's licenses in the 21st century, you consider a certain social practice unjust because you deem it unfit for the modern era. But I would like to go beyond the argument of time and point to a fundamental contradiction in your argument. If women in the Arab world do not see it as unjust that they are not allowed to get a driver's license, who are you to know that it is unjust nevertheless? A broader and deeper freedom of expression would therefore be a better prescription to highlight the state of justice in the Arab world.

To continue our journey into the reality of practical politics, let me apply Kant's test of justice to the way the Bretton Woods institutions act in Africa. African nations were forced to liberalize as a precondition to receiving aid. We are also



prohibited from protecting our economies with subsidies. At the same time, the rich nations grant export subsidies of about \$300 billion per year to their farmers. Africa's share of global trade has declined from nearly 5 percent in the 1980s to 2 percent in 2004. Nine of the world's 10 poorest countries import more food than they export. The textile industry in Ghana gave work to over 25,000 people in the 1980s, but employs only 3,000 people today. That sector is almost dead as a direct result of the policies of the WTO, the IMF and the World Bank.

Those institutions do anything to crush the attempts of poor countries to defend their industries. The Government of Ghana presented a budget to Parliament in 2003 that sought to protect local industries by imposing 25 percent and 40 percent tariffs on imported rice and poultry products respectively. The budget was passed as law (Act 641) and was hailed by the Association of Ghanaian Industries as well as civil society organizations. But less than four weeks later, this law was annulled under some bizarre circumstances that smacks of IMF/World Bank "condition for further aid," without recourse to the elected body that passed the law.

The combination of forced liberalization and export subsidies in rich countries is a most lethal weapon against poor countries. Brazil's foreign Minister Celso Amorim was right to applaud the decision of key WTO members in Geneva in August 2004 to cut the export subsidies of wealthy countries for their farmers as good for trade and social justice.

Basuglo Dougah, who was decorated as National Best Farmer in Ghana in 1975, is one of the clearest victims of WTO rules. He was a successful farmer who employed about 100 farm hands on his 2000 acre rice farm and produced between 13,000 and 14,000 bags of paddy rice annually. This figure is more than the combined output of the three northern regions in Ghana today. Mr. Dougah, who used to own 6 Massey Ferguson, 4 Ford tractors, 5 combined harvesters, 1 Land Rover, 1 Peugeot caravan, 1 Peugeot saloon car and a Mark articulator, now owns just a bicycle and describes himself as a poor man.

Maybe we should also discuss how the treatment of the detainees at Guantanamo Bay or the question of nuclear proliferation relate to Kant's definition of justice. To do so, we could rephrase Kant's categorical imperative into a very simple question: How would you feel if you found yourself at the other end?

The economist's basic assumption that resources are limited forces us to set priorities. In the brutal reality of day-to-day politics, this often means to accept suffering in one area to prevent it somewhere else. Taken to the extreme, though, that

The IMF deprives African parliaments of their power

How does Guantanamo Bay relate to justice and rule of law?

Walter

conflicts with basic ethical dispositions shared by most people. I would like to highlight this with a provocative example: Is it just to let a dialysis patient in the developed world die and use the money for his treatment to save 10,000 people from tuberculosis in underdeveloped countries?

Heba Raouf

How do you set just priorities when the resources are limited?

You asked to what extent justice is about priorities. Indeed, this is one of the central problems when it comes to implementing our concepts of justice. Therefore, we have a long chapter in the books of Islamic jurisprudence about how to prioritize when you have limited resources. These are not theoretical reflections but detailed prescriptions for ensuring that preserving life, even under bad conditions, is the first priority, followed by preserving psychological sanity, and after that preserving property.

Al-Awadhi

Setting priorities when bringing about justice becomes a big problem, for example, in the context of humanitarian interventions by the United Nations or unilateral interventions by, for example, the US. Who decides to which case the concept of justice applies? Who decides where people are suffering from injustice to such an extent that interventions are justified, while injustice in other countries can be tolerated?

Manservisi

The role of politics is to mediate between absolute concepts

Many speakers have rightly pointed out the tension between absolute religious or cultural concepts on the one hand and the reality of politics on the other hand. I would like to bring both perspectives together. To me, the role of politics is to mediate between absolute concepts. If several homogenous groups—in international politics, mostly nation states—interrelate with each other, they need some common definition that can be implemented fairly. This can be done by prescribing a common concept and thus harmonizing the diversity of existing concepts in a top down approach. But it can also be done through the mutual recognition of different conceptions of justice. I prefer the second approach, because as a lawyer I am skeptical about absolute definitions. Trying to merge our different concepts of justice into one universal definition on the other hand carries the risk of agreeing on the smallest common denominator, while justice is meaningful only as a “thick” concept.

The EU illustrates how mutual recognition works better than harmonization ...

The European Union illustrates well how mutual recognition can work much better than harmonization. Without being a state, the EU has institutions and competences similar to those of a state, including a Court of Justice that citizens can directly appeal to. So there is an integrated society based on shared values which has a system to implement justice according to European law—but all this

was achieved without defining a European concept of justice. Before the European Constitution was drafted, the European treaties did not contain a binding Charter of Fundamental Rights. The Charter only achieved clear legal status through its integration in the Constitution. I think we should remember that Europe was not built on absolute concepts, but on shared values, the most important of which probably is not to build politics on absolute values.

... and that politics should not be built on absolute values

The European model is attractive for outsiders. During a visit to Romania with President Prodi, I was very impressed when a representative of the Hungarian minority in the Parliament spoke out fervently for joining the European Union, because the EU is a union of minorities built on the recognition of difference. To my mind, mutual recognition and respect for difference are the Union's contribution to the forging of a just global order. Globalization unfortunately also creates advocates of global absolute concepts. It will be our task to present a better alternative and to promote it.

Unfortunately, globalization creates advocates of global absolute concepts

The European Union is a unique success story of encouraging countries to contribute their sovereignty to achieve a common aim. Those who contribute their sovereignty to a system must believe ultimately in the justice of this system. Therefore, the European concept must be taken very seriously.

Klein

In my work as the Minister for Human Rights in Yemen, I often encountered a tension between international demands, national institutions and the culturally determined local reality. As a minister, you have to comply with international demands to a certain extent if you do not want to cut off your population from the international community. But if you establish the institutions or laws demanded by international political theory and diplomacy, you often build Potemkin villages if the population is not ready for these changes.

Faree

For example, I found that while women in Yemen do have political rights, cultural restrictions keep them from using these rights effectively. Even though girls have the right to vote, their families would not let them exert that right. As the state has no means to force families to change their attitude, the right to vote for many young women exists only on paper. The same holds true for the passive right to vote. There is no law preventing women to run, for example, for president. But should a woman ever be bold enough to do that, the vast majority would doubt her capability to do the job—the time for that has not come yet. In the socio-economic sphere, women cannot do anything without male support. They have the right

In Arabic countries, some political rights only exist on paper



to create and own companies, but in reality they have to have a male member of their family supporting them, as co-owner or at least in the background.

To my mind, we need a development that transforms our whole society, covering not only economic but also social and political dimensions. Justice, security, education and democracy are indispensable parts of development. For example, in many countries women still suffer from a high rate of illiteracy because they drop out of school as a result of many social influences, early marriage being one of them.

Al-Awadhi

I suggest differentiating between three levels of justice. First, there is the local or regional level determined by religion and culture. To achieve justice on this level we need to have a detailed knowledge of the practices of justice in this area.

The second level consists of groups of countries like the Arab world or the European Union. Here, countries have to agree on a common concept of justice.

Third, at the international level, we must determine principles of human civilization which are valid for all human beings regardless of their religious or cultural differences. We need a scale to weigh the rights of small countries against those of the large nations or the interests of the North against those of the South and to determine which transfers of technology and capital are appropriate.

Diamond

Our conceptions of justice
are constantly evolving

Our conceptions of justice are constantly evolving at both the national and the international level. There was a time when slavery was not viewed as unjust and immoral. Today, our conception of justice is expanding to such an extent that one could speak of a globalization of certain norms and standards. International human rights covenants, for example, are an enormous step forward. When 170 countries sign and ratify an international covenant on civil and political liberties, that suggests a shared consensus on certain elements of justice.

What is fair must be measured
against what is possible

Most speakers agreed that fairness is an important element of justice. What is fair, though, must be measured against what is possible. It is impossible, for example, to guarantee every person adequate shelter within a period of ten or fifteen years, because resources are limited. Even impressive programs like the erection of one million houses for the poor in South Africa within the next five or ten years cannot solve the problem at once. The same goes for the very innovative recent ideas to eliminate malaria, one of the big killers of human life in the developing world. Many believe that it would in principle be possible to achieve this goal with the available resources—but we are not prepared to mobilize these resources. One could of course argue that it is unjust not to mobilize all resources at once.

It does not require scarce resources to abolish torture or political oppression. Here it all boils down to a lack of political will.

Diamond

Justice in the field of “freedom from” can be implemented much faster than positive economic and social rights for everybody. There is no reason why freedom from torture and freedom from political oppression should not be enforced fairly soon. It does not require scarce resources to abolish slavery, the sexual exploitation of children and women, political oppression or torture completely.

In this context, I am also talking about the United States of America that is transferring suspected terrorists to countries where they will be tortured in order to extract information. States may not have the resources to give everybody health care and education within the next ten years, but no state in the world is incapable of refraining from putting people in jail because they speak and publish what they believe. Here, in the end it all boils down to a lack of political will.

It seems to me that notions of justice are more closely linked to practical politics than one might think. One example is how the discussion about justice, democracy and human rights in the Arab region has been affected by political events after 9/11. Human rights and women’s rights movements in the Arab region have tried hard during the past decade to promote basic human rights, basing them on Islamic notions and rooting them within the culture of the region. But when after the terrorist attacks of 9/11 Western countries started to restrict personal freedom for security reasons, this was a heavy blow to the intellectual and philosophical debate. Since Guantanamo, everybody invoking Western democracy and liberalism in a discussion about human rights was effectively silenced with reference to the rights violations taking place in this detention camp. Unfair and irrational as it may be, this is how the masses think about justice. Human rights movements in the Arab world have been under heavy pressure for the past five years, because the notions they are advocating were betrayed by the societies that used to be the role models for free citizens, participation and functioning democratic systems.

What value a government really attributes to justice is revealed in times of animosity and hostility. Do democracies still respect human rights when they are at war? Do they guarantee their enemies a fair trial if they have captured them on their territory? Many nations, not only the United States, fail in times of crises to guard the values and build on the history of their founding fathers.

I seldom get the chance to reflect theoretically on justice, because my current job is to save lives in combating HIV/AIDS for the World Bank. Having profited a lot from your discussion, I would like to expose some of its arguments to the practi-

Heba Raouf

In times of crisis, many nations fail to guard the values of their founding fathers

Zewdie

Theory is of no use as long as it is not put to into practice

cal reality I know. Because even if we agree theoretically about justice and basic rights, those whose rights are violated will gain nothing from that as long as we do not put our results to the test of political feasibility and will.

First, what minimum standards are we willing to guarantee to everybody? If all human beings are equal, it is a contradiction in itself to agree on such standards without being prepared to sacrifice whatever it takes to provide them to everybody regardless of where they live or who they are.

Second, standards of justice are of little use as long as we do not know who implements them. Thinking about justice must also mean thinking about institutions and actors.

We will miss the MDG but
nobody will be held accountable

That leads me to the third issue: accountability. Justice will not be implemented as long as no one is held accountable for injustice. But today, the institutions that provide a certain degree of accountability are being undermined. The United Nations, for example, in spite of its faults, used to be a system for governments to hold each other accountable. This is no longer working. It is common knowledge that the UN's Millennium Development Goals will be missed in Sub-Saharan Africa. The HIV/AIDS epidemic affects teachers, doctors, engineers or farmers in their productive age to such an extent that the goals in education or poverty reduction are out of reach. We have over fifteen million orphans because of HIV/AIDS, and the disease is increasingly spreading among women. For no more than ten billion dollars per year, a comprehensive program could be made available to the infected and the affected, but we prefer spending that money for other things, among them waging war. Even though we know that this is happening, nobody holds the nations accountable for missing the goals they subscribed to.

We should concentrate on those
development goals that are within reach ...

If we do not relate our discussion about justice to reality, philosophical reflections might not only fail to help us do the right thing, they might even exacerbate the situation. As long as we do not focus on what minimum development goals are within reach, we may fail to devote the available resources to realize them. Looking back in twenty years, we might then have to acknowledge that we could have made the world a better place to live with minimum effort, but that we have failed.

Ghosh

Practical considerations are indeed of crucial importance. If we agree on a just goal and even decide to devote resources to it, we still run the risk of misdirecting these funds if we lack expertise. Again, the UN's Millennium Development Goals are a good example.



Today, six thousand children die every day because of malnutrition and water-related diseases, which makes water-borne diseases the major cause for child mortality. The MDG set the target to reduce the mortality of children under five years by two thirds until 2015. When the goals were announced in 2000, water supply was a big issue, but sanitation was not, even though scientific research proves that only combining both will reduce child and maternal mortality. One of the few politicians who understood that was the former British Secretary of State for International Development, Clare Short, who helped launch our WASH (water, sanitation, hygiene for all) campaign. Sanitation and water are not as high on the agenda as HIV/AIDS even though they cause more deaths, because sanitation is neither a dirty word nor a sexy subject.

Another major practical weakness of the MDGs in the area of water is lack of statistical data. When I launched a water sanitation program for Indian Prime Minister Rajiv Gandhi, the first thing we did was to survey each village to establish exactly which people were in need of water and sanitation. But 95 percent of the countries working on the problem within the framework of the MDG have no such data available and the UN lacks the capacity to monitor developments. Therefore, most money spent for improving water supply and sanitation will go to the wrong people in the wrong places—purely for practical reasons.

There are also two important political aspects to the issue. First, improving water supply and sanitation does often not even require outside assistance. Most countries have the necessary resources to take first steps if they decide to allocate them. Interestingly, poorer countries often do more than wealthy nations. South Africa and India, for example, mobilize around 1.7 percent of their GDP for water supply and sanitation with a relatively low per capita income of around 500 dollars (in the case of India), while a country like Zimbabwe with a per capita income of 1000 dollars (in 1990) devotes much less. This leads to the question of political decision-making and very clearly links issues of development to democracy.

Second, if we want to fight injustice, we need political structures to allow those in need to appeal for justice. Who should the poorest of the poor in the villages turn to? Creating such structures would provide us with a powerful safety valve against misdirected top down approaches. We would find that, in many cases, the poor themselves do not even ask for large amounts of money from outside. They only want an environment which allows them to build their own structures. The Grameen Bank impressively demonstrated that in Bangladesh, where it gave loans

... and acquire the necessary expertise, or we risk misdirecting the available resources

Often the poor don't want more money but the chance to build their own structures



of as little as five or ten dollars to women to set up their own business. Those are approaches that work bottom up, and very effectively.

Sommer At the end of this very lively discussion I want to give the speakers the last word, because their presentations stimulated many controversial statements they might want to comment on.

Forst It would be impossible to “do justice” to the many rich remarks made during the discussion. Let me therefore concentrate on some issues which were raised repeatedly and which refer to my presentation.

The practical use of philosophy
is that it helps clear our minds
about the notions we use ...

Several speakers called into question the use of philosophical discussions about justice. If there is a hiatus between the conception and the practice of justice, and the reality of practical politics is something else entirely—why think about philosophical concepts at all? I think that philosophy can do one thing, which is important nevertheless: It can help clear our minds about what we think and what the notions we use actually mean. As much as political leaders might take decisions under the pressures of circumstances, as little time as they might have for elaborating on the meaning of justice, as pressing as their duty to save lives and prevent bloodshed or hunger might be, they cannot avoid operating with notions that guide their practical actions. This being the case, I am convinced that well-defined notions are better than confused ones.

I hope that I can lend some credibility to this claim when invoking a very old philosophical argument to comment on one of the central disputes of our discussion. It is true that justice sometimes cannot be done for the sake of getting along peacefully, especially when the rival parties involved have different conceptions of justice due to historical, religious or cultural differences. That does not mean, though, that we have to accept injustice or give up the concept of justice. Why? Because there still is a concept of justice underlying our thinking about such compromises, and necessarily so. In the first book of Plato’s *Politeia*, Thrasymachos challenges Socrates, claiming that the notion of justice has no substantial meaning because justice is what the rulers say it is, and different rulers say different things. So what is justice supposed to be? With a number of arguments, Socrates forces him to admit that what he, Thrasymachos, really claims is that people everywhere *try* to define justice in a way that serves their purposes. In a second step, Thrasymachos has to agree grudgingly that this is not what the very concept of justice means, because the notion of justice implies that whoever calls some-

thing “unjust” presupposes that he expects other reasonable persons regardless of their religion or culture to share his view.

I think that Socrates has an important point here which we tend to forget every time the miserable reality clashes with our theoretical ideas about ethics: We cannot avoid using terms like justice or fairness when we talk about or criticize politics, our own or that of others. And we cannot avoid presupposing that what we mean by such judgments could in principle be shared by others. We need a common language of justice, even though it is hard to realize.

I also believe that there is a notion of fundamental justice which we should stick to. This notion is not about who gets what, but about who treats whom in what way. Not to be humiliated is an essential part of it, and procedures and rules are the way to ensure this kind of minimal justice. It is an important truth about human relations that people often refuse to accept a decision for the reason that it has been made without them; had they been consulted, they might accept the very same decision. The most basic injustice, then, is to live under structures and norms that are imposed on you.

I would also like to emphasize the essential question of whether redistributive policies are owed to others as a matter of justice or as a matter of humanitarian concern. The answer may not affect the results (though I think it does), but very much the question of accountability. In Kantian terms, justice is a perfect duty. You owe it to specific others for specific reasons because of the structure of the production and of the distribution of goods you share with others. Duties of justice arising out of such a context are not humanitarian duties, and they presuppose that the question of accountability can be answered, though not, of course, in a simple causal way.

My last point invokes Kant again, but also leads over to the next speaker, Sheikh Goma’a, because it concerns the religious aspects of justice. I do not think that we should leave religion out when trying to define a basic concept of justice. But it would be wrong to confine ourselves to defining the area where different, mostly religious languages of justice merely overlap. True, most religions share a notion of dignity that represents a useful practical consensus and starting point for discourses about justice and human rights. Nevertheless, I think that a Kantian idea of justice works at a more fundamental level. It looks for a notion of justice that still applies where religious foundations reach their limit: a concept that works for the heretic, too, as a subject and as an object of justice. A notion of mutual respect among persons with what I call a “right to justification” would

... which is important because we need a common language of justice

To achieve justice on a global scale we need to identify accountabilities

The Kantian idea of justice also works beyond the limits of religions



then be a truly universal ground for a justifiable conception of mutual toleration (at least that is what I argue in my book *Toleranz im Konflikt*).

Gom'a

This discussion has presented us with a real ocean of topics. I will try to pick some of the many important issues that were discussed. First, it is important to note that Islam is a tolerant religion. The Qu'ran says "There is no compulsion in religion. Truth is clear from falsehood," and Islam has always been more concerned with building the family as the essential component of society than with missionary ambitions. It is only natural for human beings, though, to tell others about ideas that can benefit them.

Second, universally valid and absolute concepts of justice exist. There are some things that are relative to specific cultures, while others are universally valid. Whether a society allows women to drive or to vote or be elected has to do neither with Islam nor with justice, it is a purely cultural occurrence and can be changed as society develops. Human rights, though, cannot be changed. There are some things all humans would agree upon, for example that oppression, torture and slavery are unacceptable. Again, this does not mean that people can declare anything they want a human right, because some things are forbidden by the Qu'ran. There is no human right to suicide, to using drugs or to practicing homosexuality.

In Islam, justice remains the absolute scale but compromises are acceptable if they avoid greater evil

My last point concerns justice and priorities. Every nation sets priorities as to where to implement justice—in the sphere of health care, for example, or of education. Juridical methodology within Islamic legal thought has developed a system of guidelines built on the principle of committing the lesser of two evils. Every Muslim is obliged to follow that principle. Our religion thus allows and even prescribes to accept or commit an evil if that allows avoiding greater evil. Nevertheless, justice remains the absolute scale against which we measure our doings.

This has important implications for politics. Muslims can negotiate and accept a compromise that is not completely just. However, and this is important, they will seek to establish justice as soon as the circumstances allow. So the critical problem is determining the appropriate time for establishing justice. The basic point is, though, that Muslim theology allows differentiating between political solutions—which must represent the lesser of two evils—and justice as an absolute concept that does not prevent peaceful coexistence, and temporarily renouncing some legitimate claims.



II. Challenges and mechanisms of development

After dealing with the philosophical ramifications of the notion of justice, we will now discuss the most pressing challenges and the most promising instruments of development. Which areas should we tackle first—poverty, disease, gender inequality or the unjust distribution of resources? And what mechanisms should we use to move towards a more just world order—trade, development aid, private investment, public-private partnerships, the regulation of international capital flows, or a mix of all of those? Let us first turn to challenges: Ms. Al-Awhadi, Director of the Arab Regional Center for Environmental Law in Kuwait and specialist for human rights, which steps should be taken from the perspective of the region?

I will concentrate on challenges in the areas of women's rights and the environment. What are the most important challenges and which mechanisms exist to tackle them? Under which conditions can solutions developed in one local or regional context be applied to other regions?

To my mind, the most pressing development challenge in the area of women's rights in the Arab world concerns the impact of globalization. Globalization is changing the status of Arab women because the free flow of goods and information casts the status quo into doubt, whether you like it or not. The challenge is to use this force to improve women's legal rights while preserving the fundamental values and Islamic principles of Arab societies. Globalization is changing Arab societies from the outside. But women's rights are at the same time under pressure internally, because the influence of Islamic fundamentalists in the countries of the Gulf Cooperating Council (GCC) and other Arab countries is on the rise.

What should be done? Foreign pressure to implement radical reforms is of little use, because it often causes a backlash and enforces fundamentalist tendencies. If anything can be done from the outside, it is very cautious support of internal forces. It is important to enhance the dialog between Arab and non-Muslim women on what our faith has to offer to improve global justice in the 21st Century—the “Dynamics of ‘Sharia in a New Global Order’” as Masudul Alam Choudhury entitled a conference paper in 1997.

A multilateral instrument also exists that should be enforced consistently: A vital prerequisite for the realization of gender equality is the full implementation of the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW), and related human rights conventions. This is a very important means to ensure the maximum participation of Arab women in the political life of their countries.

Sommer

Al-Awadhi
presentation

We must improve women's rights
in Arab societies

External pressure only reinforces
fundamentalist tendencies

International conventions should
be implemented consistently

If development policies undermine people's happiness, people will rebel against them.

Chingono



As to environmental issues, the most severe damage in the Gulf region has been caused by the wars of the last two decades. Their disastrous environmental consequences have made political stability and security issues a priority for everyone who wants our region to remain a livable place. Furthermore, we must overcome our governments' resistance to implementing new environmental legislation and international environmental conventions. To achieve the three pillars of sustainable development—environmental protection, economic development and social development—, we must on the one hand improve international cooperation, and on the other hand coordinate the efforts of political decision-makers, private companies and representatives of civil society. It is a sad reality that most existing governmental and non-governmental bodies are not up to their job because their authority and budgets are too limited. In the 1970s, institutional frameworks were established in Kuwait, Iran, Oman and Saudi Arabia, but none of these countries is able to effectively implement national policies and ensure the fulfillment of international obligations. To make things worse, regular interventions of national governments hamper the independence of these institutions.

The Arab world should develop regional development concepts

You can see from what I said that I am no friend of forcing universally valid concepts for social and environmental development upon all countries irrespective of their cultural background. I do believe, though, that solutions developed in a local or regional context can be applied to other regions if these regions have similar political regimes, similar cultural values and a comparable historical background. As the countries of the Gulf Cooperation Countries (GCC) and to a certain degree the entire Arab world share such similarities, we should try to strengthen the coordinated development of concepts for sustainable development and of common mechanisms of implementation.

Chingono
presentation

I have been asked to talk about the relationship between development and conflict. This relationship is complex and multidimensional and varies with space and time. The central nexus linking both notions is the quest for happiness. As the second article of the American Declaration of Independence states, the pursuit of happiness is an inalienable human right. Aristotle argued that the pursuit of happiness is the justification of all human action.

As the experience of Southern Africa shows, when development policies undermine people's happiness, people will rebel against them. Mozambique is a typical example: Samora Machel's project of an African socialism was inspired by noble ideas but failed to take into account the needs of the people on the ground

and their local communities. That resulted in a rebellion of the beneficiaries of development precisely against this development with its collective farms and collective villages. People refused, for example, to leave their ancestor's graves and be relocated to create an efficient infrastructure. Silly as that may sound, it mattered to these people and their rebellion was one of the causes for the civil war in Mozambique.

To my mind, there are basically four scenarios for the relationship between development and conflict. First, development can lead to conflict. Second, underdevelopment can also lead to conflict. Third, conflict creates opportunities for development, and fourth, conflict can also lead to underdevelopment.

Conflict is the defining element of politics, we can not wish it away. Marx wrongly hoped that without conflict and politics, the state would wither away. In reality, the challenge is to find mechanisms and institutions to deal with conflict.

Development is one of the most celebrated, abused and elusive notions and quite difficult to define. I would like to define it as a socio-economic process of transformation and a cultural discourse based on knowledge, power and subjectivity.

As there is a cultural aspect of development, conflict is inevitably part of development, too, because culture is dynamic and keeps changing. This brings new values and challenges that trigger the resistance of certain groups. One typical example in Southern Africa of how development generates conflict is the generation gap, the conflict between elders and the young. Education is also a source of conflict because educated people have higher expectations and know about their rights. In Zimbabwe, for example, the opposition against Mugabe mainly consists of people who profited from Mugabe's early policies in education and health. Meanwhile, the uneducated and poor people in the rural areas support Mugabe.

Underdevelopment obviously can create conflict, too. Poverty and inequality drive youth into violence. Africa as the poorest and most underdeveloped country in the world has also the largest number of conflicts and refugees.

Now to my third constellation: conflict creates opportunities for development. Our civilization is in large part a result of the conflict between man and nature. Also, many of the technologies we take for granted today, like cell phones, the internet or computers, were developed during conflicts. Radar, for example, was developed during World War II.

Surely, conflict can lead to underdevelopment. For example, the costs of the conflict in Mozambique were enormous, estimated about \$50 million. In-

Conflict is inevitably part of development processes ...

... but conflicts also create opportunities for development

Well-meant efforts alone are not sufficient
if there is a duty to achieve results.

Diamond

frastructure was destroyed and the development of the country was seriously hampered.

To conclude, the relationship of conflict, development and the pursuit of happiness changes with technological progress, but it remains the goal of development policy to manage conflict between opposing views and discourses, between Northern and Southern views and between what development means on the micro- and on the macro-level.

Diamond
presentation

Let me begin with a normative reflection that calls into the question the Western belief that our current development policies further global justice. I am convinced that allocating a certain percentage of resources to development aid is never enough to bring about justice. Why? Because an obvious implication of any conception of justice, equity or fairness is that the privileged have a duty to ameliorate the conditions of the poor and dispossessed and to empower them to escape poverty and live a more dignified and human existence. Well-meant efforts alone are not sufficient if there is a duty to achieve results.

In that light, the actions of the development industry—the World Bank, bilateral aid agencies and a large number of private donors—during the past decades have been a substantial, and not a complete failure. We have seen significant increases in life expectancy, decreases in infant mortality and increases in literacy, but nowhere near the economically and politically feasible and thus morally necessary levels. We tend to point to our substantial donations to prove that the poverty that still exists and the lack of economic development in Africa is not our fault. This is not good enough.

As a political scientist, I am convinced that we now understand a great deal more about development than twenty years ago, and therefore we need to get serious now. The international development industry must honestly analyze the current situation and past mistakes to pursue from now on effective—which often means: radically different—policies.

To produce effective development policies, we first of all need workable concepts. For me, the goal of development policy can be described with four inter-related notions. Development is about increasing the autonomy of the individual, his or her independence from control by other individuals and organizations. Development is also about choice, about enabling people to determine how they want to live and how they want their children to live. That relates to development as opportunity to improve one's own life circumstances, to provide for oneself and

The actions of the development industry
during the past decades have been a failure

We need radically different
development policies



one's family and to contribute to building a functioning social community. Most importantly, development is about self-empowerment, about giving individuals the resources to determine their own future.

Let me now move from the general to a more concrete level. What should be our priorities? Very simply, we need to eliminate absolute poverty to establish a more just world order, because poverty obviously is the negation of development. That requires empowering the poor in the world by giving them the tools to raise themselves out of their miserable condition. Concretely, we need to provide education, health care, credit, and potable water.

Who is responsible for providing these public goods? Obviously, that is the role of the state. Developing states should also, assisted by the international community, create a legal and political environment that attracts investment and encourages the creation of wealth. The problem is that many governments are not interested in generating public goods. Of course every country in the world, not least mine, struggles with this to some degree. But in many developing countries, government is simply a racket, a virtual criminal conspiracy on the part of ruling elites, to corner resources for themselves and their families, friends and political allies. As long as this does not change and hardly any public goods are created for the people, development is not going to happen even if we double the flow of resources.

Therefore, without a minimum of good governance, the flow of international resources is simply going to be wasted, misappropriated and stolen all over again.

I submit that a fundamental condition for the progressive elimination of poverty is good governance in the following six dimensions: First, responsible governance must be created in terms of the handling of public trust and a commitment to the public good. Second, capacity must be strengthened. Obviously, many activities of the development industry aim at generating capacity and knowledge resources. Third, the transparency of states to the scrutiny of other state actors and the public needs to be created. Freedom of information is increasingly recognized as a fundamental right in this regard. Fourth, accountability must be guaranteed: government officials must be accountable to society in general and to specific institutions. Only strong and independent institutions, such as a truly independent judiciary and effective counter-corruption agencies, will allow us to get a grip on this problem. Accountability also requires public officials to declare their assets upon taking office, and to make these declarations available to the

To establish a more just global order
we need to eliminate absolute poverty

Without a minimum of good governance
development is impossible



citizens for public inspection. Fifth, the rule of law must be applied equally to all citizens. And sixth, states must ensure participation in terms of the public being able to provide input into the selection, design and implementation of policies that affect their lives. Such participation requires freedom of speech, freedom of association and freedom of assembly.

These six criteria of good governance combined pretty much add up to democracy. As far as I know, there is no country in the world with a good rule of law and a significant level of freedom that is not a democracy. To conclude: if we want to move towards a just world order, our development policy must aim at encouraging better governance and specifically democracy. Otherwise, billions will again be spent with doubtful success, and I think it is our moral duty to ensure that this does not happen.

Zöpel

Democracy is made possible only
by improving human security

You stated that the development policy of the past decades was not successful. To assess that, criteria are needed. As far as I can see, some central criteria point in a different direction. Life expectancy is probably the most important criterion for justice, because there is no greater injustice than when people in some societies have to die earlier than in others. In nearly all countries, life expectancy has dramatically increased during the past twenty years. A second important factor is the birth rate. It has decreased in most countries, except for some African states. These two developments combined lead to the positive result that according to forecasts, world population will start decreasing by the middle of the century. Without doubt, democracy is important and democratic states tend to achieve better development results than others. But the worldwide implementation of democracy is less important than guaranteeing that people can live as long as possible. To ensure this in a world with permanent internal conflicts and increasing private violence, the concept of human security is a precondition for democracy.

At the same time, we must conduct the discussion about justice on a global level, because we are living in a global society where conflicts and development are interdependent and catastrophes like the tsunami in Asia affect people all around the globe. Within this global society, we must discuss how to increase wealth globally and how to organize global re-distribution.

Regional integration is the main
tool for increasing wealth globally

Finally, we must foster regional integration to increase wealth and alleviate inequalities on the state and regional level. Unequal distribution of wealth is not only a fact between different countries or continents, but within many countries.

Foreign investors want to see a vibrant private sector before they are willing to invest in a country.

Sulleyman

70 percent of the world's poor are living in six countries: China, India, Nigeria, Brazil, Pakistan, and Indonesia. Yet these countries also harbor wealth. Can our globalized society accept the huge inequalities of income in China, India or Brazil? To my mind, regional integration is the main tool for turning globalization into a constructive force. The Arab and African states must harmonize their economic development on a regional basis if they want to increase their wealth and fight poverty and inequality within their borders. It is impossible for me to understand why the Arab countries do not use their common language as a major advantage for creating an effective regional bloc.

As to the positive results of regionalization, the perspective of becoming a member of the EU was enough to support the democratic, societal and economic development of many countries in bad shape. Only because of this perspective, the rest of the world knew where these countries were heading, and therefore, their costs of finance dropped. Just compare the financing costs of the transition countries in Central and Eastern Europe with those of Brazil, a country that behaves perfectly well in terms of policies. The real rate of interest in Central Europe is close to zero, in Brazil it is about ten percent.

Many factors contribute to Africa's underdevelopment, but to my mind, the main obstacle to development at least in Ghana is the lack of support for private enterprise.

Small- and medium-scale enterprises are very effective as far as job creation and economic welfare is concerned. Trade is only useful for countries if its industry produces goods that can compete on the global market. Foreign investors want to see a vibrant private sector in a country before they are willing to invest in this country. The support of private enterprises is also a powerful tool in the fight for good governance and democratization. Once poverty is decreasing and employment is rising, there is time and money for education, which in its turn supports democratization.

In spite of that, neither the IMF nor the World Bank have ever recommended supporting private enterprise. A functioning private sector, though, would make the implementation of their recommendations to privatize our economy and reduce the number of people working in the administration much easier. People who lose their jobs in administration could find work in private companies or even set up their own business.

Walter

Sulleyman

One of the main obstacles to development is the lack of support for private enterprises

So what should be done? In Ghana, the first step could be to establish a functioning banking sector that provides capital for private entrepreneurs. At the moment, the interest rates vary between 30 and 108 percent p.a.—entrepreneurship cannot thrive under such conditions. Several years ago I wanted to set up a business myself with friends of mine. As our savings were not sufficient to finance the company, we tried to get a bank loan—in vain. The manager of the only bank that was willing to give us a credit told us that our projected influx would not be sufficient to repay the interest rates and we would probably end up in jail with our assets confiscated. We thanked him for his advice and, naturally, raised no credit, did not set up a business and went back into government service. Our company would have employed at least 100 people and our business plan was good—but it was impossible to implement because of the high interest rates. Changing that would be a very important step towards enabling private entrepreneurship in Ghana.

The government of Ghana has recognized that we need venture capital to develop our economy. Therefore it has set up the necessary legislative framework to enable private venture capital firms to work in our country and has set up a fund to complement private venture capital. We also try to design financing tools for our small- and medium-sized companies to support especially those companies that work in the manufacturing sector, because that is the key to development. Donors from outside, to my mind, should help us in improving the framework for private venture capital and also contribute capital.

Heba Raouf

Establishing a market economy distracts
the people's minds from politics

Westerners often think that democratizing and increasing the wealth of developing countries by introducing market mechanisms are two sides of the same coin. In reality, though, establishing a market economy triggers consumerism that occupies peoples' minds and distracts them from politics. As Max Weber pointed out, Western capitalism has developed over hundreds of years, made possible through the Protestant ethics' ideal of saving and its notion of sacrifice. If you try to introduce this system in regions that have not gone through the same historical process, you destroy people's ideal of living a decent life of sufficiency and replace it with the American dream of luxury. In Egypt, for example, the middle class has grown significantly during the past decade, but those wealthy, well-educated and rather cosmopolitan people are completely uninterested in politics and in democratic transformation. They are pursuing only the dream of consumption, a moving target which you never reach.



As to violence as a problem of development, I think that it would be more fruitful to see it as a common challenge for developed and the developing countries than as a purely African problem. Numerous studies show that social violence is on the rise in urban spaces of the North, too. I am talking not only about crime, but also about social unrest and violence caused by technology. Take the example of road safety. Egypt probably has the highest rate of car accidents in Africa, but nobody is willing to help because Western intellectuals and foundations care about classic human rights problems like torture, but not about car accidents. Therefore, we need an open dialog between Western and local representatives about which problems should be addressed and how.

We must think about different models of development for different economies. Bolivia, for example, withstood the pressure to mechanize its agriculture and was rewarded with a huge demand from European buyers that are interested in organic food. One of the reasons for the economic boom in China was that the Chinese did not follow the prescriptions of the IMF. For every economy, we must find ways to develop without losing the existing sense of solidarity of the society and without unleashing consumerism.

The introduction of market mechanisms, privatization and an influx of multinational companies often has very positive results for developing countries. May I remind you that the current tendency towards protectionism in rich countries results from their fear of the developing countries' high growth rates and creation of jobs? To be sure, opening a country for the world economy often leads to increased consumerism in the population. It is only natural that people should try to make use of the new opportunities. There is no way around letting them have their own experience with consumption and its costs and drawbacks, because they will learn only from their own experiences.

To enforce my argument for the positive impact of opening up the economy, let me summarize the findings of Deutsche Bank Research on what characterizes dynamic economies. The world's future most-dynamic countries, India, China and Malaysia, and the future most-dynamic OECD countries, Ireland, Spain and the United States, all have four factors in common. These factors are openness, education, investment and a growing labor force. If you want your country to thrive, better make sure that it fulfils these requirements—instead of shutting the doors to the world economy.

We must improve road safety in Egypt

Every economy needs its own model of development

Walter

Countries should open up for the global markets ...

... in order to become thriving, dynamic economies



Hartmann

Our concepts have not been all wrong, but implementation is harder than declaring goals

Coming from the so-called development industry, I would like to contradict Professor Diamond's thesis that we have been doing the wrong thing up to now. Building democracies and developing ownership in partner countries has been on the agenda for decades. I think that, first, implementation is harder than declaring goals and, second, the developed countries have failed to provide sufficient funding.

Mr. Suleyman raised the question of how to involve the private sector in development issues. The multi-stakeholder initiatives which we can see popping up all over the globe are probably the most interesting new approach on the international development agenda. We have to find ways to integrate them in existing frameworks like the United Nations system and must create specific blueprints adapted to the situation in different countries.

Ghosh

The receivers of development aid should be those who need it most

Having worked at all levels of policy making, I want to reinforce Mr. Hartmann's statement that the development policy of the past decades was not a failure. It helped save many children and adults from dying, which is a success in itself. Nevertheless, we should change many aspects of our development policy.

First, who should receive development aid? Today, China and India capture nearly seventy percent of the international contributions while Africa, which desperately needs support, gets no more than ten percent. We tend to focus on these major powers because they are well organized and provide structures which guarantee quick successes for the development managers. We need to provide support to those who need it most.

Development creates conflicts which we have to take responsibility for

Our development policy should also focus more on internal problems of the receiver countries. Not only because there are no longer local problems in our globalizing world, but also because development creates conflicts which we have to take responsibility for. Mao Zedong rightly said that supporting development means creating vested interests. Educating and empowering the inhabitants of countries with huge disparities always creates conflict, which is a part of the process of development and social transformation. Managing the transformation in a peaceful way is all that political leaders can do. Conflicts do not always arise between the haves and the have nots. For example, when India guaranteed better rights for the so-called untouchables (harijans) after its independence in 1947, this created a conflict between the other lower classes and the harijans who are both aiming at a higher social status. This quarrel is part of a normal social transformation. There is nothing wrong with it as long as the state manages to act efficiently as a referee and turn the conflict into positive energy.

Microcredit is the development paradigm of the future.

Ghosh

For development policy, water is a key issue. Today, two and a half billion people have no access to sanitation and more than one billion do not have access to drinking water. Most people in the development sector, especially in developing countries, underestimate the importance of water, but none of the Johannesburg summit's goals can be achieved without better water supply. You need water for agriculture, for the generation of energy with hydroelectric power, for improving health and hygiene and for the development of cities. The spread of SARS was due to the lack of hygiene and sanitation, as is the spread of HIV/AIDS in Africa.

Why does the development community not act efficiently with regard to this silent emergency? I think that most governments prefer gigantic projects to projects at the level of small communities. The neglect of the local level often leads to absurd results. For example, the Ganges Action Plan to clean up River Ganges was supported extensively by the government of the Netherlands who financed countless water purification plants. But as municipalities along the river are incapable of paying for the energy for these plants, they remain idle and locked up. Studies show that simple rural and urban sanitation would have served the cause of cleaning the river much more efficiently.

If we want to give everybody access to water and sanitation—which is a matter of justice and a prerequisite for fighting poverty efficiently—, you have to set up decentralized development structures. The same goes for land and other national resources. Let me give you an example from the area of sanitation. If you and I want to construct a house, we just ring up the bank and get a loan. The poorest of the poor in India or Bangladesh do not even get a five dollar loan from a normal bank. The Grameen Bank, by contrast, provides small loans even to those with an income of twenty-five dollars or less per month, which enables them to set up their own sanitation facilities. Microfinance and microcredit are not only the most efficient way for improving water supply and sanitation but are the development paradigm of the future.

Thank you very much for giving us a very specific example and then drawing generalized conclusions. To focus our discussion a bit, let me now pose a question. Who is responsible for implementing good governance in the developing world?

If we talk about how to achieve good governance—which is indeed an indispensable prerequisite for development—, we obviously have to address the question why some states fail internally. Why do democratic governments in the

Development policy leads to absurd results if the local level is neglected ...

... we should set up decentralized development structures

Sommer

Forst

developing world, if they manage to come to power, have such difficulties in overcoming the heritage of their dictatorial predecessors such as structures of corruption? Often, when we think about responsibility for good governance, we tend to put the blame exclusively on the current government while ignoring negative external and historical factors. But we need to complement our picture.

When we assess the failure of democratic governments in developing countries ...

First, historical legacies. As dictators have the privilege to borrow money in the name of their nation and sell their people's resources (and increase their personal wealth), democratic governments succeeding often inherit debts and exhausted natural riches. The International Monetary Fund's regulations then impose tough requirements on these governments and make it difficult for them to reach stability.

... we have to take into account historical legacies and external influences

Second, external influences: Trans-national companies and also Western governments sometimes prefer to work with semi- or non-democratic, corrupt governments that guarantee economic and political stability instead of supporting new democratic governments that cannot vouch for the same kind of stability. Powerful economic actors are also, to say the least, rather suspicious vis-à-vis democratic governments that want to redistribute resources more fairly, for example by way of land reform. Furthermore, the opening up of markets and other steps leading to an integration into the global economy can create hardships which put governments under enormous pressure. It is not generally true that internal democratization and opening up one's economy are reform projects that mutually reinforce each other.

Sommer

Reverend Omuku, more and more people believe that extractive industries are a bane rather than a boon to developing countries. Is that true or is it a cliché?

Omuku

The extractive industries have rightly been notorious, but things are changing

The extractive industries are no doubt notorious. They cause corruption for the simple reason that, first, many nations endowed with natural resources earn most of their foreign exchange from extractive industries. My country, for instance, gets ninety-two percent of its foreign exchange from oil. Second, big business tends to be rather secretive. That gives those in power the opportunity to put aside enormous profits.

But things are changing. Ten years ago neither Nigeria as a country nor the companies operating inside the country talked openly about their output. The executives and the government officials kept these statistics like a state secret.



Now, there is a breath of fresh air. Yesterday I learned that Switzerland decided not to accept stolen assets anymore, and Swiss banks returned 470 million dollars from Nigeria's former dictator General Abacha—at least a little fraction of what his clique stole from our country. The Extractive Industries Transparency Initiative (EITI) led by Tony Blair and supported by a number of Western countries is a very promising project: extractive industries are required to publish what they pay, which gives representatives of civil society the opportunity to ask questions where the money went. Transparency International, Nigeria and Angola already signed up to the initiative and other countries declared their willingness to do so, but the companies are lagging behind. To my mind, governments and civil society should exert moral pressure on them to support this very important project. The New Partnership for Africa's Development (NEPAD) is also a very promising initiative. NEPAD not only supports development initiatives that bring together the private sector and governments, but its members also hold each other to account to establish peer pressure for good governance. In Togo, they made the son of the president who was already chosen as successor change his plans. This morning, I saw him announcing on TV that his country was going to have an election in sixty days according to the constitution. That is a very important success.

To come back to your question of whether extractive industries is a bane, I think it used to be to a certain extent. But nowadays, the damage it does is being contained while countries are finally beginning to use the profits from oil for the good of their people. Increasingly, extractive industries are becoming a boon.

One theme has resurfaced in our debate time and again: the importance of participation for development. The arguments are well-rehearsed: if those who are affected by development policies are involved in their design, those policies are more likely to address people's real needs. With ownership over those policies, individuals and companies are not only more likely to implement policy decisions, they might even invest their own resources. As a result, development policies are both more legitimate and more effective.

Despite the fact that we all seem to know this, real participation still happens much too rarely in practice. This is why I want to come back to a promising policy instrument for sustainable development that was already mentioned by Mr. Hartmann: partnerships between governments or international authorities, businesses and civil society.

Organizations like NEPAD create peer pressure for good governance

Steets

The importance of participation is widely accepted but rarely put into practice

Working together with people that
have sometimes radically different
mindsets and expectations can be slow,
frustrating and inefficient.

Steets



Partnerships between state
and non-state actors can establish
sustainable development ...

Partnerships are an especially strong form of participation. Beyond consultations with and the token involvement of interest groups, partners make important decisions together. As a result, organizations with very different resources and skills are more prepared to join forces to address complex problems.

In practice, partnerships are already fulfilling a number of important functions. Some focus mainly on advocacy, seeking to influence which development problems are treated as priorities. Others engage in norm- and standard-setting—most famously the World Commission on Dams, in which international organizations, businesses, governments and affected groups jointly defined criteria for large dam projects. Another group of partnerships promotes development by bringing the resources of different players to bear on a problem and by coordinating their efforts. Where this is done effectively, it can lead to a significant transfer of knowledge and technology. Finally, partnerships are often active in creating markets and facilitating market access for producers in developing countries. Again, a crucial step towards sustainable development.

Because partnerships hold all these promises, they were initially greeted with much enthusiasm by the international development community. Especially the World Summit on Sustainable Development in Johannesburg in 2002 generated much momentum and political will to create partnerships. Now, however, we face the risk of a political backlash against this tool for development.

Many who maybe naively embraced the concept were disappointed when they found out just how difficult it is to cooperate with other types of institutions. Working together with people who have sometimes radically different mindsets and expectations can be slow, frustrating and inefficient. In addition, serious criticisms concerning the accountability and democratic legitimacy of these processes were raised. As a result, we now risk throwing the baby out with the bathwater.

... which is why, despite difficulties, they
are one of the most promising tools

What we need is first the recognition of how difficult and potentially costly partnerships can be. But in the meantime, we must not forget the substantial promises that partnerships hold for generating lasting development. Therefore, we should invest some effort into finding out how to best design partnerships so that they work effectively. And we need to select carefully when and where to use them. First experiences suggest that partnerships might have their most positive effect where problems are so complex that they require the coordination of many activities. Partnerships seem also particularly valuable where voluntary compliance with policy decisions is necessary. Finally, their potential to build consensus makes them appear indispensable in areas that are prone to conflict.

I think that demanding quick democratization involves a certain amount of hypocrisy on our side. Western governments support too many despots to convincingly claim that democracy is a major guideline of their development policy. Until the fall of the Berlin Wall, good governance played almost no role in development policy because at that time, development policy was a geopolitically motivated tool of the Cold War. Sub-Saharan Africa, for example, acquired billions of debt during forty years of the Cold War because all the development aid intended to finance infrastructure ended up in private accounts of despots, western multinational corporations and corrupt officials.

It was only in the early nineties that people reassessed what development should be, and after NGOs and civil society had created enough momentum, the politicians got on the bandwagon.

After that, the decrease of ODA (Overseas Development Assistance) expenditures by donor countries resulted in a negative outflow of resources back to the donor countries.

If we express concern about the MDGs (Millennium Development Goals) and demand democratization today, we should admit at the same time that the present situation is pretty much the result of what we did during the past fifty years. Therefore, we have the duty not to abandon the people in undemocratic states. Instead of penalizing the innocent if their government falls short of international standards, we must find a way to get to these people, be it through NGOs, specific programs or regional offices. Sanctioning countries only makes poor people poorer while the despots laugh through their teeth. We should instead apply personal sanctions precisely against these despots.

We should indeed apply pressure on corrupt governments, not to achieve immediate democratization but to press for good governance in exchange for development aid and better trade conditions. Improved governance combined with development aid yields immediate results as we see in Uganda, Mozambique or Ghana: money is spent sensibly, nothing is siphoned off, poverty rates start falling—all that in very short time. Today, Africa is offering us exactly such an exchange of improving governance in exchange for better trade conditions with NEPAD. We should accept that new deal and, knowing that the African side of the deal is much more difficult than the donors' side, show a little bit of indulgence when it comes to implementation. Effective support for development could also be provided with debt release and with stopping cotton subsidies to rich American farmers.

Boucher

Until 1989, good governance played almost no role in development policy

Instead of sanctioning countries we should apply personal sanctions against despots

As to good governance, it takes two to tango,
and to be honest, development agencies
and northern governments do business with
corrupt governments until these
are thrown out by their own people.

Zewdie



Manservisi

The real challenge lies in Sub-Saharan Africa

The real challenge for development and for the achievement of the MDG lies in Sub-Saharan Africa. Some middle-income countries have made progress, but Sub-Saharan Africa has a bad record as far as the MDG criteria are concerned and also with regard to its integration into the world economy.

Zewdie

I doubt if we are sufficiently serious when we talk about development. As to good governance, it takes two to tango, and to be honest, development agencies and northern governments do business with corrupt governments until these are thrown out by their own people. We should not follow this path any longer:

Today, we need to change our approach to development because the HIV/AIDS epidemic makes these matters much more urgent especially in Sub-Saharan Africa and the Caribbean. The life expectancy of Botswana, for example, which should be seventy-five years, is thirty-five years now. It is immoral and unwise to talk about development and do business as usual when fifty percent of the population is being wiped out. HIV/AIDS acts as a mirror for all neglected issues of development: water and sanitation, education and women's rights. There is also an obvious relationship between dictatorship, lack of development and the spread of the epidemic. Try and superimpose a map of those Sub-Saharan African countries that are in conflict or governed by dictators with a map showing the extent of HIV/AIDS.

AIDS forces us to make countries
improve their governance

Therefore, we not only need to increase development aid, but enforce good governance much more strictly than hitherto. Why should we give aid to a country suppressing its people? Why should we do business with its government? Why should we wait until there is an internal revolt? AIDS forces us to make countries improve their governance, because without good governance the epidemic will spread even more and become the problem of the whole world instead of single countries.

Klein

I would like to take a close look at the role of trade and trade liberalization in development. The essence of economic development is doing business. We need to promote investment and create an environment where people feel secure in conducting trade.

Over the past sixty years, the world made an effort to establish agreed rules for trade that would minimize distortions and progressively remove barriers to trade.

Complying to the WTO's rules is in the interest of developing countries.

Klein

Among the 23 founders of the GATT was the United States with its historical experience of free trade, dating back to the beginning of its nationhood. It was one of the brilliant ideas of our founding fathers to incorporate an absolute interstate commerce clause into our constitution that prevents any tariffs or non tariff barriers between the states. After World War II, abolishing these barriers on a global scale seemed to be a good idea. From our perspective, a tariff was not a charge put on foreign firms so that domestic firms could do better, but a tax favoring domestic over foreign producers paid by the consumer. When the tariffs came down, the WTO started to target non-tariff barriers, so that regulations designed to ensure that imported products meet certain standards would not block trade. Finally, we began looking at intellectual property rights, the effect of subsidies and the liberalization of services.

The 35 initial articles of the GATT were suggestions rather than rules. But they allowed every country to know what its rights were in another country's market. Regular meetings provided an institution within which they could complain if they were denied those rights.

Our schedules of commitment provide a clear picture for every investor of whether a country is a good place to invest. Does it allow foreign financial, telecommunication or distribution services in? If so, conditions for business in this country will probably be good: the government allows foreign competitors either because its own companies are good enough to compete or because it wants to improve their quality through competition. In any case, a foreign investor will be able to get the services he needs to successfully run his company.

Complying to the WTO's rules is in the interest of developing countries, because these countries need to make investments welcome, whether foreign or domestic. If the money comes from domestic sources, so much the better, but if it comes from overseas, governments should send the investors a thank you note.

Apart from that, WTO negotiations provide governments with a leverage to push through liberalization against domestic resistance. They can blame the WTO for painful but necessary measures while at the same time taking full credit for opening foreign markets for the country's products.

Therefore, I am convinced that the Doha Round offers great opportunities for all countries involved. At the same time, I look with suspicion at those developing countries who want the rules loosened. It is in their interest to adopt the existing framework: good trading rules, transparency and a commitment to apply those mutually agreed rules. If these countries succeeded in



The WTO regulations create transparency and reliability ...

... and provide leverage to push through liberalization against domestic resistance



loosening the WTO's framework, they would damage what could be their key to success.

Walter

Let me first say something about stopping development aid for countries with a corrupt regime. We should not fool ourselves: as long as people look for business opportunities around the world—which is a good thing—sanctions will never be implemented comprehensively. At the same time, it might not even be always wise to get rid of all members of corrupt and undemocratic governments, because sometimes they are, alas, the only capable persons in the country.

What we should do instead is develop a structure that can take over once the ruling elite is thrown out. Civil society and government institutions can play an important role in that. Party foundations could help build up party systems. Retired judges or central bankers could give advice on how to establish a functioning judiciary or financial system. We should also encourage emerging countries to pass on their experience in building such structures to developing countries.

I think we should also advise developing countries to implement technological modernization gradually. Reformist governments in these states usually aspire for state-of-the-art solutions. I have tried time and again to convince such governments to use intermediate technology, because the state-of-the-art technology is two or three generations away. We should have patience with these countries and advise them to be patient themselves, because trying to achieve results overnight often results in setbacks and disappointment.

Trying to achieve results overnight
often results in setbacks

Manservisi

The key principle of the European Union's development policy is ownership. This applies to governance, too. We must support the initiatives on governance by NEPAD and the African Union, because those are the standards of governance defined by Africa itself. We will launch a program to financially sustain these mechanisms.

In that context (and only in that context), I would avoid the terms democracy and good governance and instead speak simply of governance. Governance is a starting point that can produce good governance and eventually also democracy. But the starting point and also the precondition for development is that there must be governance.

I am also against breaking contact with governments that do not meet our democratic standards. When the EU froze its relations to Zimbabwe, the result

Breaking contact with non-democratic regimes can exacerbate a situation.

Manservisi

was a blocking of the dialog with Africa. Reversing this proves to be very difficult in spite of the fact that everybody is uncomfortable with this situation. But the Union is displaying a united and coordinated foreign policy: doing nothing. As a matter of fact, this policy has exacerbated the situation in Zimbabwe.

Our development policy must aim at finding a place for the African economies in the global system. Even if we achieve some of the MDG in some countries through development aid, this development is not sustainable as long as it is not built on a functioning national economy. Today, most African economies are part of trade systems only as suppliers of commodities. As long as their welfare is built solely on these volatile incomes, they will remain in a state of dependence. We must integrate these economies first into a regional market and then in the global market.

The “development industry” in its present state has important weaknesses. For example, in 2003 there were about 400 missions of donors in Cambodia. The Cambodian administration was probably busier with absorbing these visits than with running the country. At the same time, administrative expenditures absorb more of the development industry’s budget than social development policies themselves. We have the duty to coordinate our activities efficiently and then combine them with a certain amount of political conditionality.

The right mix is the key to success.

Just for the record: Everybody talks about corrupt governments in the receiver countries. But sometimes donors and international organizations give money with one hand and take it back with the other. As long as corruption is widespread within some international organizations, it is not a surprise that civil societies of developing countries should have little confidence in these organizations.

Restricting ourselves to demanding only some kind of governance instead of good governance might sometimes be the right way, but in other countries it leads nowhere. It is no doubt often better to deal with a functioning government than with a failed state without any political leadership. But some countries with functioning governments and a functioning legal framework are nevertheless authoritarian and corrupt societies. There might be governance, and according to very formalistic criteria, these countries might even improve governance, but authoritarianism corrupts the society and destroys all structures of civil society or existing political parties.

Development is not sustainable as long as it is not built on a functioning economy

Faree

Corruption also exists in some international organizations

Hamzawy

Authoritarianism destroys all structures of civil society

Sommer May I ask our speakers for their concluding statements?

Diamond First of all, I think the discussion has largely endorsed the analytical suggestion that bad governance is a serious problem for development, and therefore for poverty alleviation. Maybe democracy is not a precondition for development, but some degree of responsible governance is. Those countries that have not developed but are stuck in a trap of stagnation (China is obviously not among them) have the common problem of bad governance. Without significant improvements in governance, they have no chance to exit that trap. I remember voicing doubts about Zimbabwe as a model twenty years ago because of its lack of democracy, and I have similar doubts about Uganda today.

The international community, which means the donor governments, including the United States and the international institutions, is deeply complicit in this. Morally, I am in heartfelt agreement with Mr. Boucher that it is an outrage to expect these societies to repay the debts acquired during the Cold War when their corrupt leaders channeled government aid to their private accounts with the knowledge of the donor nations.

Unconditional debt relief will result in countries ending up in new debts a decade later

But the growing support for unconditional debt relief could start a policy tragedy of enormous proportions. If we let bad governments off the hook in setting aside any conditionality concerning better governance, we just give them a chance to loot the national treasury again. Instead, I propose to suspend the debt service payments for these countries and reduce the stock of debt at ten percent for every year that they meet certain conditions of good governance, like allowing a free press, an independent judiciary and credible counter-corruption institutions. Governments that refuse to do so will just end up in debt a decade after unconditional debt relief anyway, that I predict as a political scientist. Furthermore, if the international community does not set rigorous standards in partnership with the civil societies of the countries concerned, we are selling the people in those countries short.

The EU shows how transformative development can be effectively triggered

Let me close with two concrete examples of effective and ineffective mechanisms to put pressure on governments. First, NEPAD is an interesting paradigm, but its peer review mechanism is not working in any country, not even in Ghana, one of the most progressive and democratic countries in Sub-Saharan Africa. By contrast, the most effective international actor in history with regard to triggering transformative development in other countries is the European Union with its integration policy. This example teaches us how explicit standards and huge



rewards for meeting those standards can have a transformative impact. I would like to see a similar bargain between the developed countries and the poor countries of the world.

Today I heard a lot about corruption and corrupt governments in the developing world. We should not forget that the United Nations itself is a very sad example of corruption (e.g. the Oil for Food program). Also, Western governments do not hesitate to cooperate with these corrupt countries when it comes to business, especially the arms trade and oil.

I would like to re-emphasize that conflict and development are inextricably inter-linked in a dialectical relationship. In the case of Africa, many violent conflicts undermine the capacity for development. HIV/AIDS, for example, spreads rapidly in conflict zones where societies have broken down and people's means of life are destroyed. The brain drain caused by people leaving their countries to work to the West is especially strong in conflict zones.

The specific case of Zimbabwe raises two questions. First, is it justifiable to take away land from those who had taken it through force, without any compensation? Second, are there maybe racist undertones in this debate? Nobody talked about the vicious civil war that raged between 1980 and 1987 and about the thousands of people that died during that time. Only now that white people are affected, has it become a big issue.

To my mind, good governance is basically about reconciling conflicting economic, political and collective interests. It is about the effective management of conflicts and transformations. In fact, what we need is good global governance.

Al-Awadhi

Chingono

Violent conflicts undermine the capacity for development

We not only need good governance but good global governance

III. Defining political instruments and priorities

Sommer

After discussing our topic's philosophical ramifications and the most pressing challenges in the area of development, we will today turn to the question of implementation. How can governments, international organizations, NGOs, civil society and corporations shape a just global order? What do the rich countries on the one hand and the poor countries on the other hand have to do? In this context, we will address the question of how to deal with Africa, our most important challenge. How is development aid related to political conflicts, trade and finance? First, Stefano Manservisi, Director General for Development at the European Commission, will present the EU's development policy; then Norbert Walter will take a look at the matter from an economist's perspective. Finally, Amr Hamzawy will complement these Western or Northern views with a critical appraisal of current approaches in the Arab world.

Manservisi presentation

Before summarizing the lines around which the new European Commission's development policy is discussed at present, I would like to briefly sketch out the strategic axes and instruments of the EU's foreign action.

The EU targets its external policy to four groups of countries: candidate countries, ...

The European Union targets its external policy to four specific groups of countries, which are offered different degrees of integration or cooperation. Our first strategic goal is to complete enlargement: integrating Romania and Bulgaria, but also opening and conducting negotiations with Turkey, Croatia, Macedonia and eventually the Western Balkans.

... the "ring of friends" of neighboring countries, the transatlantic partnership ...

The second group consists of all countries that share borders with the EU, among them a number of developing countries. In the European Neighborhood Policy, these countries are offered partnerships tailored to their specific needs and with individual action plans. The ultimate goal is the integration of this "ring of friends" into the single market.

Our third area of external policy is the transatlantic partnership. The EU will use the opportunity of President Bush's imminent visit to Europe to re-launch the dialog with our American partners and set a new common agenda.

... and partnerships for development and economic cooperation

Fourth, our partnerships for development and economic cooperation aim at all remaining countries. The Cotonou Agreement links the EU with the ACP (Africa, Caribbean and Pacific) countries. Another important stepping stone was the 2004 EU-LAC (Latin America and the Caribbean) Summit in Guadalajara.

Overall, the EU's foreign policy is guided by a strong commitment to multilateralism. Accordingly, we are strongly involved in multilateral institutions such as the WTO and its Doha Round, or the United Nations.



Let me now describe the main instruments of EU foreign policy—an area that remains under construction. First and foremost, once the constitution enters into force, Europe will have a Foreign Minister who is at the same time Vice President of the Commission and reports directly to the European Council (the “double-hat”). The Minister and his European External Action Service will be a very powerful instrument for coordinating the Union’s foreign policy.

The EU constitution will bring new instruments for its foreign policy

Second, the Union is about to merge its various foreign policy tools into four strong instruments corresponding to the four axes I described. The Pre-Accession Instrument will implement all activities dealing with ongoing or future enlargement. The numerous instruments designed to manage relationships with our immediate neighbors will be merged in the new European Neighborhood Instrument. Crisis prevention and management and all post-crisis activities will be concentrated in the so-called Stability Instrument operating in the grey zone between the foreign policies of the member countries and community action. Finally, the Development and Economic Cooperation Instrument will implement the Union’s cooperation programs with the ACP countries and Asian and Latin American countries. Each of these instruments will have a specific budget within the general EU budget.

I would now like to describe briefly the main characteristics and challenges of the EU’s development policy. Doing so, we must keep one thing in mind. The European Commission is not a development agency or a donor organization, but a political institution. Therefore, its development activities must meet the objectives defined by the Council.

The EU Commission’s development policy mirrors the Council’s objectives

The EU’s development policy is based so far on the Commission’s and the Council’s joint statement on EC Development Policy (DPS) adopted in November 2000. That statement focuses on the fight against poverty, setting classical priorities like health, infrastructure and public services. Recently, though, the Commission under the aegis of Commissioner Michel has decided to launch a debate about reshaping the policy in the light of our previous experiences. I invite all of you to take a look at and comment on a study on the DPS on my department’s website.

We launched this public consultation process because we see a need for adjustment in three areas. First, the joint statement of 2000 makes no—and could not make any—reference to the Millennium Development Goals (MDG); therefore it must simply be updated. Second, new political challenges have put development policy under pressure. In the aftermath of September 11th, there is a tendency

It has to be adjusted to the changed global political situation ...

to subordinate development to security issues and to use development funds for short-term actions in the so-called war against terrorism. The increasing problem of illegal immigration similarly threatens to distract attention away from the original goals of development policy, because people tend to see development as a tool for cutting the stream of immigrants. Third, changes in public opinion create new opportunities. People are increasingly aware of the dangers and opportunities of globalization and are asking for participation. At the same time, the political class has agreed on a common agenda for important issues like water, energy or the environment at the Johannesburg summit. The WTO's Doha round puts trade at the very heart of the development agenda.

... and will have to either broaden or restrict its scope to very limited goals

Under these changing circumstances, the EU must reposition its development policy and make a basic decision: Will it broaden the development policy's scope, making it an integral component of the Union's external policy and integrating policies from other areas? Such a development policy could be the EU's main tool for exporting European values and helping to govern globalization and make it more just. The alternative is to restrict development policy to the limited goal of helping the poorest in the world to survive and providing pocket money for short-term crisis management and security policies.

We opt for a broadening and a more sophisticated mix of policy areas

We opt for the first alternative: broadening and strengthening the EU's development policy. Our goal is to reshape the policy, concentrating on the fight against poverty and the goals contained in the Millennium Declaration. Instead of a catalog of priorities that has not been implemented very consistently, we would prefer to base our work on a more sophisticated mix of policy areas like social equity, governance, human rights, management of territory, resources and environment, economic reform and regional integration. That would enable us to adapt to the specific needs of different countries: The least developed countries require a different approach than low or middle income countries, which our development policy tends to leave aside. We could then also apply lessons learned from internal EU policies in fields like the environment, education, social policy or research.

We need a European development strategy that is binding for the member states

Such a menu of policy areas has the additional advantage of making development policy more effective, because member states can choose a field of action, thus complementing each other's expertise in a coordinated development policy that is coherent with other EU policies. Until now, Europe is not really acting as the European Union but as twenty-five plus one, even though the treaty sets very clear legal obligations in terms of coordination and complementarity. We would therefore like to replace the joint statement of 2000 with a European Develop-



ment Strategy that is politically binding not only for the Commission, but also for the member states. I am not talking about standardizing the member states' policies, but about a political mechanism for ensuring convergence in order to reach common objectives. We are doing that successfully in the framework of the Lisbon process where we coordinate our member states' policies in the field of research to deliberately use their specific skills.

To meet its targets, our reshaped policy must have more financial resources at its disposal. According to the Council's mandate, we will propose the member states yearly targets for their Official Development Assistance (ODA) that will keep it on track towards the goal of 0,7 percent of the GDP in 2015. At the same time, we are debating additional sources of financing. Gordon Brown's plan for an International Finance Facility (IFF), for example, is a very interesting idea to create resources for important short-term projects. The Commission doubts its value as a long-term instrument, though, because it would impose debts on future generations. In this regard, a tax on financial transactions as proposed by Presidents Chirac and Lula on the basis of the Landau Report could be more suitable, even though new taxes are of course always problematic. The same holds true for the tax on aircraft fuel which is currently under debate in the ECOFIN. Private solidarity is another resource we could exploit better. There are, of course, many practical problems with private contributions, but we should try to make more of the enormous efforts and amounts private citizens bring about.

Regionally, we should concentrate on Sub-Saharan Africa which is particularly lagging behind in reaching the MDG. There is no need to launch new initiatives or to try to reinvent the wheel: The MDG criteria alone show that three key sectors influence the implementation of most development efforts decisively:

First, governance and peace-keeping are indispensable preconditions for successful development. Billions of dollars will have no positive impact as long as governance is absent. Therefore, the EU will support the African Union and NEPAD as supranational authorities and finance peacekeeping missions, as we already have in the Central African Republic. We will also propose to support a mechanism for peer review among African states concerning reforms of the public sector and governance structures. Such a mechanism would allow the EU to offer financial incentives to states which submit themselves to review and successfully implement reforms, while taking into account the principle of ownership.

The second key aspect is social equity. Empirical evidence shows that development activity, to be more than a flash in the pan, must generate economic activity.

New taxes and private contributions offer additional financial resources

We should concentrate on Sub-Saharan Africa and on three key sectors: ...

... governance and peace-keeping, social equity ...



... and infrastructure

That is impossible without a minimum framework of social cohesion. We must therefore initiate a process which involves and protects people and encourages societies to take care of themselves in their specific way. That concerns mainly access to basic services and, of course, the fight against HIV/AIDS as one of the main obstacles to development.

Infrastructure must be our third focus, because defective infrastructure in Sub-Saharan Africa can frustrate all efforts to foster development. Since the EU has already done a lot toward improving infrastructure and we must avoid duplications, we should now concentrate on missing links in trans-border projects. Together with the African Union and the NEPAD, we will agree on a road map for closing gaps, be it in the area of roads, of telecommunication technology or of energy and water. All three focal points of development will have to be implemented in close coordination with the member states and all other donors.

Those are the most important steps for reshaping our development agenda into a framework for effective and well-coordinated common European policy—summarized very briefly.

Sommer

Thank you very much for this prime example of European thinking and also of the European definition of “very briefly”... Mr. Walter, how should development policy be reshaped from an economist’s point of view?

Walter
presentation

We must know how people tick ...

I am convinced that all concepts of a just global order should be based on the Enlightenment’s insight that freedom of the individual is the foundation for any functioning social order. Therefore, the global economic order must shift its focus to achieve more efficiency and more humane outcomes. We must stop concentrating on how to spend other people’s money as we have done during the past 50 years and instead focus on how people spend their own money.

... in order to establish a functioning
socio-economic system

Our Scottish forefather Adam Smith has given us what I still deem the most appropriate assessment of how men tick and of how to use their inclinations for establishing a functioning socio-economic system. Man’s main motive is self-love, and society’s task is to prevent this self-love from degenerating into untamed egoism. We have several restraints at our disposal to achieve this goal. First, fellow feeling—but only a relatively small portion of the members of a society possess this inclination to a sufficient degree to let it guide their actions. Ethics, a second lever, works only in relatively homogeneous societies based on the same values which ensure through functioning sanctions that *mores* are kept. But our modern

Globalization is to a certain extent unfair.

Walter

societies are no longer homogeneous. Rule of law is a third and very powerful constraint. It can only be established, though, in a political system with a fully developed separation of powers. Adam Smith, however, gave us one fourth restraint: competition. While economists tend to base their thinking solely on this constraint, other disciplines hardly take it into account. To succeed in taming and constructively using men's self-love, we need to apply a combination of all four levers. If we, for example, concentrate on law only, we end up with lawyers rather than with a functioning system.

That would be the worse fate.

Let me now move to a more concrete level. What policies should the international community pursue? During the last quarter of the 20th century, production increased by 150 percent, world trade by 300 percent, capital flows by 3,000 percent, and foreign direct investment as the longest lasting and therefore most interesting form of capital flows by 3,500 percent. These 25 years were characterized not so much by the intensification of trade, but of an exchange of a higher order: capital flows. I am convinced that the exchange of knowledge increased even faster due to the Internet, email and lower transportation costs. We usually call the combination of all these developments globalization.

Globalization has caused many animosities and fears. Considering the fact that openness of the economic system creates wealth, and the financial sector is a catalyst for growth, this criticism seems hard to understand. History shows that those societies that moved away from barter trade to money and those who allowed credit had a remarkable advantage over others, and the same holds true for those countries that really embraced the establishment of capital markets instead of still insisting on bank-based systems.

But globalization as it is taking place today is criticized for a good reason: It is to a certain extent unfair. The developed countries carry a major responsibility for that because they protect their markets, subsidize their industries and monopolize profitable sectors. Nevertheless, the developing countries also contribute their share by blocking free competition and the free flow of goods and capital in many areas. Import substitution policies are applied by many of them, often allowing corrupt government officials to increase their wealth, while depriving the consumers of these countries. There is also a strange coalition of nations with very different interests blocking the free movement of labor—another obstacle

Diamond

Walter
presentation

Open economic systems create wealth ...

... but globalization is
criticized for good reasons

to a fair globalization. Furthermore, the distribution of foreign direct investment needs to change. Most FDI goes to developed countries, and what little investment there is in emerging economies often depends on the fashion of the day or concentrates on one dominating country, while smaller countries are ignored.

International financial crises are also an important point of criticism, because they cause substantial harm to the populations. Critics usually call for state intervention and stronger regulation of international capital flows and demand the abolition of the World Bank and the IMF. I believe that both solutions are much too simplistic.

The IMF and World Bank should concentrate on their original roles ...

Of course, if there is market failure, the state has the duty to intervene. But who is responsible for the financial crises that harm so many people—market failure or misguided regulation? Are the institutional architecture and its institutions like the IMF or the World Bank to be blamed? I am critical of these two institutions in many areas, but if they did not exist already, they would have to be invented. We need both institutions in their original role. The IMF must be the lender of last resort, the firefighter for major financial crises. It must also watch over countries' macroeconomic policies and the global financial system to ensure that such crises do not happen regularly. The World Bank is needed not as a provider of infrastructure for the world, but as a catalyst for the development of an infrastructure at a reasonable cost. Its second policy pillar is poverty reduction. In this area, it should, first, concentrate on enabling help rather than on providing it. Second, it should focus on the least developed countries that—in contrast to emerging economies—have no access to private financial markets. Given its limited funds, the World Bank squanders resources when it helps countries that can help themselves.

... and should consistently apply conditionality so they do not waste taxpayers' money

Both institutions, different as their roles may be, should consistently apply conditionality. Both spend taxpayers' money. If they do not spend it carefully and in pursuit of a clear and rational policy, taxpayers will not and should not be prepared to pay for them any longer. As only good governance in the receiving countries guarantees an appropriate use of funds, there is no way around forcing the receivers to improve their governance with clear conditionality. For those countries that cannot improve governance, the appropriate means of help are grants and charity, but not taxpayers' money.

My views about the appropriate exchange rate regime for the world are less decided. I do not subscribe to the scholarly view that a flexible exchange rate system for all countries is the only solution.



As to the question whether capital flows to developing countries should be regulated, my answer is a clear yes. In countries with underdeveloped financial markets, the allocation of funds is never optimal. Most of the time, these countries end up with large debts, but not the infrastructure that was supposed to be built with this money. Unless a functioning financial sector is established, short-term capital flows into a country should be restricted. But because this can harm development, the international community also has the duty to foster the development of a financial sector.

It is also a duty of the international community to guarantee competition, because, as I said, competition is an important aspect of any functioning socio-economic order. The international system has used competition very effectively in the GATT system and now in the WTO. Today, regional institutions like the EU, NAFTA, and increasingly ASEAN + 3 also do a good job in organizing and guaranteeing competition.

Let me now come to the role of the private sector. International institutions must to some extent bail in the private sector when problems in developing countries arise. This becomes increasingly difficult in a world where the relations between developed and developing countries are conducted between hundreds of thousands of individual actors rather than, as in the old days, between very few big banks and the governments of the developing countries. Today, a financial crisis in a developing country affects thousands of bond holders—crisis management becomes a nightmare unless we develop new institutional setups. After Anne Krüger's proposal for an insolvency mechanism was rejected, I hope that the idea of collective action clauses will be implemented successfully.

It was interesting that the offers to relieve the debts of countries hit by the tsunami were rejected by all but one country. Most Asian countries understand that debt relief cuts them off the most important lifeblood of the future, namely private money which they will need for their development. When talking about the integration of the private sector in development policies, we talk most of the time about the role of big companies. As far as foreign direct investment is concerned, these companies are no doubt very important, but in terms of contributing funds, the corporate citizen is not the company but its owners and its staff. These should be interested in bringing about sustainable development, and we should try to make them contribute actively to goals beyond increasing their company's profit, while the company itself must focus on surviving in the market.

The private sector also bears some responsibility ...

... and should foster sustainable development out of self-interest



The developing countries themselves should try to attract the most important factors of development, which are the mobile factors: keeping your savings and your brains in your country and attracting savings and brains from other countries. Only that gives you a good starting position in an internationally open world.

Sommer

Mr. Hamzawy, do the EU's plans and the demands of an economist with a Western philosophical background correspond to what people in the region want?

Hamzawy presentation

There are at least two groups of “people in the region”—the ruling elites and those who are rather critical of their approaches. Let me try to first summarize some of the arguments about development put forward by the ruling elites and, against this background, articulate alternatives.

The priorities of the ruling elite in the Middle East are: stability and security ...

A representative of the ruling elite in Egypt typically proposes three priorities for development in the Middle East: stability and security, economic progress, and political and social reform—in descending order.

... economic progress ...

Stability and security require, in the eyes of the political leadership, conflict prevention in two areas, the Arab-Israeli conflict and internal conflicts with political repercussions for the region as a whole, like radical Islamist insurgencies and rising ethnic cleavages.

... and political and social reforms,
but in a “specifically Arab way”

Economic progress is seen as a second priority. Most Middle Eastern or Arab countries have pursued liberalization policies at least since the 1980s. Those policies were supported by Western governments and international organizations, a relationship which Arab rulers would like to maintain.

Thirdly, Arab leaders recognize the need for a certain degree of political and social reform, but with important qualifications. Government officials in the Middle East tend to argue that there is a specific Arab way to democracy, pointing to cultural and historical particularities of the region. The rise of liberal democracy in the West three hundred years ago, they claim, cannot be repeated here, especially not at the accelerated pace that Western and regional opposition voices often demand. They say that they are moving forward gradually and will eventually reach the objective of establishing “Arab” democracy. As proof, they invoke the steps towards political pluralism taken by countries like Tunisia, Egypt, Morocco, Jordan, Yemen or Kuwait about two decades ago.

To implement their political priorities, Middle Eastern rulers rely on the classical instrument of nation states, dealing with each other through networks of bilateral or multilateral relations.



But in the eyes of critical observers, the Arab nation state is not the most promising political tool. Over the past 50 years it has brought about neither economic progress, nor stability, nor serious social and political reforms. As an alternative, we need to integrate NGOs and important social forces even if they are not organized. Arab NGOs partially suffer from the same diseases as existing authoritarian regimes, such as corruption, aging leadership and lack of vision. Therefore, we will have to reach out for those social forces that lack clear organizational structures but represent strong political currents and offer new approaches. In Egypt, moderate Islamists are a major social force or even a silent majority. Even though these movements may not correspond to Western ideals of civil society and liberal democracy, they are the strategic partners we need to embrace.

To nurture democratization in the Arab world, the West would have to firmly apply political conditionality based on clear benchmarks. These benchmarks should be developed in co-ownership with regional partners. Instead of relying on minimalist and formal definitions like a functioning state or a more or less functioning legal framework, they should be clearly defined in a normative sense: democratization, pluralism, freedom of the press, access to the media.

The importance of civil society leads me to my second criticism of most Middle Eastern governments: They set the wrong priorities. My first priority would be political reform. We need a vision of what Arab societies should look like in the near future, and I think there is a clear consensus outside governments they should be democratic and pluralist. Cultural or historical particularities are no excuse for undemocratic practices. To achieve democratization, we need real political representation. Most Arab countries do have modern political institutions, but those institutions do not guarantee adequate political representation. We also need to promote the rule of law, not only a legal framework and a functioning state. Furthermore, enforcing public choice as a governing principle would force politicians to seek majorities in a more transparent and less corrupt way. Finally, democratization means to allow for and actively organize political, cultural and social pluralism.

My second priority would be social equity. As Mr. Manservisi said, sustainable economic development is impossible without a minimum of social cohesion. Liberalization and privatization in most Middle Eastern countries during the past thirty (Egypt) or twenty (Tunisia and Jordan) years have triggered tremendous changes. However, important social and some economic dimensions of a market economy are missing. The situation could be exacerbated by a new trend toward

To nurture democratization the West should support moderate internal social forces ...

... and formulate clearly normative benchmarks like pluralism, freedom of the press ...

... and the rule of law

radical neo-liberalism. In Egypt, for example, the ruling party discussed and enforced cutting the maximum tax rate from 44 percent to 20 percent during its last convention. I am skeptical whether we can afford this in a country where 34 percent of the population lives below the line of poverty.

Many people may doubt the viability of these ideas. How to reach out to unorganized social forces? How to apply political conditionality without stopping aid to countries governed by authoritarian regimes? How to broaden our focus so that we can integrate civil society actors beside the nation state? These ideas will indeed be hard to implement in day-to-day politics. Nevertheless, I am convinced that if we make an effort, we can establish these alternative approaches at least alongside the existing, more traditional policies.

Sommer We have heard three blueprints. Are they compatible or do they clash, and, if so, where do you see room for compromise?

Perthes I do not think that these blueprints clash. They remind me more of different pieces of laundry on a long laundry line, each one in its own right drying in the wind. Of course, Larry Diamond, Amr Hamzawy or myself concentrate on questions of governance, because we are political scientists. Of course, the economist Norbert Walter puts an emphasis on economic and financial aspects. We have all learned that our area of research is of the utmost importance, and we all have to defend why we are doing what we are doing.

Good governance will fight underdevelopment and create better structures ...

I would therefore like to concentrate on two political dilemmas related to the call for democratization. First, European leaders today agree that introducing good governance in the developing world would make better and more stable partners and fight underdevelopment. But our policy makers also know that they would risk losing something they appreciate very much: those national leaders in the region they have known for years or decades. The EU with its bureaucratic structure and rather unfamiliar leadership might give much importance to structures, but nation state leaders like Jacques Chirac, Tony Blair or Gerhard Schröder want to have partners they know personally. That is more important for their political work than progress in the area of civil society, good governance or rule of law. When Blair or Schröder came flocking to that tent in Tripoli, Libya, to speak with a leader whose name they have known since 1969, they probably did not mention human rights and the rule of law as first priority, to put it carefully. The region's leaders of course enforce the European leader's conviction that only



they can deliver results as reliable partners, while democratization would trigger a rise of religious forces and eventually chaos.

I have no solution for this problem. But I think that our political leadership could take some useful and feasible steps. Simply introducing some aspects of democracy or good governance in the region's authoritarian regimes could improve the situation in these countries considerably. If we could get Egypt to stop torture within the next two years, we might have achieved more than with a permanent discussion about bringing Westminster democracy to the Middle East, and it would also be a first step to improving the basis for a functioning political life and for change from within.

At the end of the day, we do of course want democracy. But to help the seventy million people in this country, implementing a limited agenda in cooperation with the existing authoritarian regimes might be the right thing to do.

Arab heads of government like to point out that they are gradually increasing political representation, leaving out that the complete lack of competition for real decision-maker positions remains unchanged. It is quite interesting that the two most competitive elections in the region have taken place in countries under occupation: in Iraq and in Palestine. That should of course not lead us to occupying as many countries as possible, but it is an interesting problem.

It would be dangerously wrong to say that real elections take place only in occupied countries like Iraq and Palestine. As you surely know, there are free elections in Kuwait, Lebanon, Nigeria, Bahrain, Jordan, or Morocco, even though these elections may not fulfill your maximum standards. The Palestinian and the Iraqi elections, by contrast, are considered illegitimate by many Arab scholars because they took place under occupation.

I would certainly wish Palestine and Iraq to be free of occupation, but undeniably the most competitive elections for the prime decision-maker positions took place in exactly these two occupied countries. That leads me to my second point: sovereignty and outside interference.

The West and especially Europe has a tendency to take on more and more responsibilities in the world, which is positive. New instruments for peace-keeping are being developed, and after interventions in the heart of Europe (Bosnia and Kosovo) and very far away (Afghanistan), maybe tomorrow Darfur will be on the agenda. But I doubt that we think our missions through to the end before we go

We might achieve more by starting to introduce single aspects of democracy

The most competitive elections have taken place in occupied countries: Iraq and Palestine

Al-Awadhi

Perthes

The West has a tendency to take on more and more responsibility, which is positive

An unsuccessful intervention is probably worse than no peacekeeping intervention at all.

Perthes



out to intervene in other countries to save lives and preserve stability. We often go there without really assessing our means to successfully manage the tasks at hand. If we find it difficult to stabilize the small area called Kosovo, how could we do it in Darfur? Can we not only stabilize the situation, but also engage in rebuilding the society and governance structures? Again, I recommend searching for a feasible instead of a perfect answer to this dilemma. Maybe we should restrict ourselves to those cases when we really do have all the means to see it through to the end, because an unsuccessful intervention is probably worse than no peacekeeping intervention at all.

Sommer

As Andrew Jackson said: “Let us elevate them guns a little lower.”

Manservisi

One response of the EU to conflicts in Africa is supporting the AU

Your general doubts concerning peacekeeping are of course completely justified; but politics is more about specific choices in concrete situations. The EU has to decide how to react to specific challenges, not whether we intervene as often as possible or not. For example, one of our responses to conflicts in Africa is to support the African Union. This organization’s agenda is to foster good governance, democracy and peace within Africa. We decided to help them intervene in some of Africa’s conflicts through the peace facility financed by the European Development Funds (EDF). Of course, our resources are limited, but providing financial assistance to the African Union and sharing some of our ideas with them—from supranational organization to supranational organization—seems to me a rather effective way of using our resources. The European Union enjoys a certain credibility in Africa because we are not trying to sell them guns or aircraft, but supporting their efforts at peacekeeping.

The Central African Republic is a success story of intervening without intervention

We have a good record, not exempt from criticism, of course, and we are making important steps forward. For example, we have achieved positive results in the Central African Republic. In this fragile state—the government more or less collapsed, ten candidates are fighting for the next elections—we supported peacekeeping facilities and, in cooperation with the United Nations, helped stabilize the dialog between the different opposition groups. We support the preparation of the elections, the constitutional court and civil society. The Central African Republic is partly a success story of intervening without intervention.

Money can be provided more quickly than troops

Other problems, like Sudan’s Darfur province, show our limitations. Our second fact-finding mission revealed the simple fact that the AU cannot act autonomously and is only effective in some areas. While the Union can decide to

provide money pretty quickly, all military decisions depend on unanimous votes of the member states. A chain of command including the military staff in Brussels and 25 different command structures in the member states makes it pretty hard to rapidly deploy forces. In this area, the Foreign Minister will certainly facilitate things by concentrating our initiatives and instruments. Nevertheless, as long as our member states refuse to give up certain powers, lengthy negotiations to reach unanimous decisions will be a precondition for all military action.

The problem of the EU as 25 plus one is something we witness time and again in our daily work. Of course, the Union's institutional structure limits what we can do, but we could easily take some practical steps to ameliorate our capacity to act—if we wanted to. Right now, we have no functioning communication system between the European capitals and places like Cairo, which forces us to wait until coordination on the highest level in Brussels has been completed before we can give our input. I fear that this deficiency is kept up deliberately. It would be easy to alleviate, but all our efforts in that direction were received rather unfavorably.

I would like to complement what we heard about accountability with some information from those at the receiving end. True, as development aid is taxpayers' money, taxpayers in the North must be able to hold their governments accountable on how it is spent. But I think that international institutions like the IMF and national governments must be held equally accountable for the failure of their development policies. Let me tell you why: Some of the IMF's or the donor countries' conditions make their aid a farce, for example when they force us to use their money to buy goods and services from them for a higher price than elsewhere to fuel their economy. Should they not be accountable if these conditions cause economic problems?

My second point concerns mobile factors. Take for example the brain drain from Africa in the medical sector. There is a high demand for doctors, nurses and paramedics all over the world. It costs much more to train them in the developed world than, for example, in Africa. The developed countries take advantage of that by drawing a large number of doctors educated in Africa into their own health system. There are more doctors from West Africa working in the UK alone than have been educated in West Africa over the last ten years. The American, the Saudi and many a European government is acting in a similar way.

Kobler

The communication deficit in the EU is kept up deliberately

Sulleyman

The donors must be held equally accountable for the failure of their policies: ...

... They enforce expensive imports and profit from the "brain drain"

We need time to reform our countries and should be given a chance to do it ourselves.

Faree



The developed countries should limit the pull factors

Of course, this is possible only because doctors are paid almost nothing and have to work under unacceptable conditions in our countries. It is a traumatic experience if your patients keep dying on the operation table because you do not have the right equipment. These push factors that make our doctors leave are within our responsibility. But, on the other hand, no African government could pay their doctors as much as European governments, even if they wanted to. Therefore, I see it as the developed nations' responsibility to do what they can to keep African doctors in their home countries. They have to limit the pull factors. Our appeals to the British prime minister have at least led the government to order government hospitals not to employ doctors trained, for example, in Ghana. But the law does not cover the numerous hospitals which do not belong to the state. So our doctors come to the United Kingdom to work in non-governmental hospitals, get fully integrated into the medical system within six months and then take a job at a government hospital. This is, to resume our topic, not just.

Sommer

Just to be fair, very few European governments hire doctors from abroad. Great Britain is a special case—they even hire German doctors.

Faree

Mr. Hamzawy is certainly right in asking for full democratization of the Arab world, but I want to advise against going too fast and expecting only good things from outside pressure and recipes while blaming ourselves for all shortcomings. We need time to reform our countries and should be given a chance to do it ourselves. And corruption, for example, is not only a problem of developing countries. Even some donors are helping instead of fighting it.

Kobler

We have to live up to our own standards before we can credibly apply pressure

Volker Perthes rightly pointed out that our politicians talk about good governance but at the same time spare the Arab leaders real pressure concerning human rights. Furthermore, if we in our day-to-day work demand respect for human rights or the abolition of torture, we have to face serious questions about our credibility. When raising the question of good governance in our political dialog within the framework of the EU Association Agreement, our partners ask us whether we have the same kind of dialog with the Israelis or just with those who are weak and find themselves at the receiving end. Is it good governance, they ask us, to refuse to sign the Kyoto Protocol or the Convention on the International Court of Justice? As long as we do not live up to our own standards and as long as we allow our allies to miss these standards, such questions will not disappear.

In developing countries, private companies like Shell have a lot of power, which they should use as a force of change in their host countries.

Omuku

I agree completely. European politicians sitting in their capitals talking about our region tend to forget that their statements about the rule of law will always be measured against reality by people in the Middle East. How is the Muslim minority treated in Europe? Is Guantanamo an example for the rule of law and for the implementation of the Third Geneva Convention protecting prisoners of war? Is torturing Iraqis at the Abu Ghraib prison what the US, Great Britain or Italy see as rule of law? I told you that I am skeptical about the concept of a just global order, but I think we should try to reach a compromise on what is seen as acceptable in international relations. And I believe that one precondition for that would be that the West recognizes that, so to speak, everybody has his own corruption and his own distortion of the rule of law.

Our studies leave no doubt that improving governance is the number one lever to bring about change. As Larry Diamond said, we need benchmarks to define and measure good governance. To my mind, fighting corruption is one of the most important fields of action. Tony Blair's Extractive Industries Transparency Initiative encourages countries that rely heavily on natural resources to keep open books about what they and the companies they work with receive from whom.

Private companies also have a major role to play in the fight against corruption. Some people say that oil companies like Shell have more influence on countries like Nigeria than the EU. That is certainly not true. These companies are just contractors and can be expelled at the snap of a finger by their host countries that are, after all, sovereign states. Nevertheless, companies have a lot of power which they should deliberately expand and use as a force of change in their host countries. If companies formed industrial coalitions and then raised their voices in coordination with the governments of their home states, they could become a significant force against corruption.

I also believe that we should make more of the potential that lies in civil society organizations. There are important social forces that may be uncoordinated but could, if supported properly, wield a very positive influence. We have seen this when the US and the EU decided to give money to civil society organizations for their fight against dictatorships, for example in Eastern Europe. Let us make civil society a force in the fight against corruption in Africa, too.

As to the MDG, I agree that they will not be met if we go on as we have been doing. But stopping at that insight would be the worst thing we could do. The fact that we are about to miss the MDG is just a wake-up call that should make us focus



Al-Awadhi

The West should recognize its own shortcomings

Omuku

Fighting corruption is one of the most important fields of action

Let us make civil society a force in the fight against corruption

We should take the prognosis that we will miss the MDG as a wake up call



and reinforce our efforts, because we can still succeed. We must fight AIDS if we want to prevent the disease from wiping out a large part of the population. We need to create a more just framework for trade, which means to consistently apply reciprocity instead of tying the less developed countries' hands behind their backs and then sending them into the wrestling match. We should also strengthen regional blocs like the African Union and also NEPAD, because unlike many Western observers I think that both of them not only have the potential to be of use in the distant future, but that first results can already be seen.

Zöpel

Global society is increasingly structured by regions rather than by nation states

First, if we talk about global governance structures for a just world order, we should be clear on which actors we are talking about. Today's global society is increasingly structured by regions rather than by nation states. Therefore, effective and just governance is made possible by working processes of regional integration.

Let me explain. Regions are very important actors today because the overwhelming majority of nation states are not really politically sovereign. They simply lack the necessary number of inhabitants and economic and military power. Just take a look at the map: The United States, the only remaining super power, has a relatively large population, a powerful economy and the ability to intervene militarily in multiple parts of the world simultaneously. South America is on its way to integration under the aegis of its largest state, Brazil. The European Union is a prime example of successful integration and will soon move its frontiers further towards the East and the Southeast.

The development of China and India will have a big impact on the international system

Then there are two very large nation states in Asia with a population larger than that of the other regions in the world. In this conference we have spoken little of China with its 1.3 billion inhabitants. This country may not be able to effectively intervene militarily at this point in time, but it is militarily vulnerable only in a nuclear war. The same goes for India. These two nation states, larger than regions, will have an important impact on the governance of the international system.

Finally, there are two important geographical areas where I can neither discern a functioning structure of regional integration nor hope for the immediate creation of such a structure. That concerns, first, Africa and I do not see much better prospects for the Arab world. Therefore, it is crucial that the international community support all efforts for integrating sub-Saharan Africa and the Arab countries. Another goal we could pursue would be the integration of the Middle East, but I think it would be much harder to reach than an integration of the Arab states and sub-Saharan Africa .

Corruption is economically rational as long as an entrepreneur is not living in the country which he is corrupting.

Zöpel

Second, Norbert Walter's economic philosophy teaches us that problems are solved more effectively when people use their own money, rather than by transferring money from developed to developing countries. That is no doubt true, but there is one basic problem: Between one and two billion people in the world have just enough money to meet their basic needs, if at all. As long as they are not provided with basic financial resources through a global policy of wealth distribution, Walter's concept lacks a basic precondition. As to the freedom of capital, it might have many advantages and positive impacts, but to my mind it is also one of the main reasons for corruption. Where capital belongs to foreigners and no local or regional entrepreneurship exists, corruption flourishes. Just look at some of the Eastern European countries. One should bear in mind that earning money through corruption is economically rational as long as an entrepreneur is not living in the country which he is corrupting.

Third, a reform of the United Nations and other international institutions like the IMF and the World Bank is indispensable for establishing a more just world order. To adequately reflect the power structure of today's world, Brazil and India need to be given a permanent seat in the UN Security Council and a similarly important position in the IMF. To be provocative, we should also make the African Union and the Arab League members of the Security Council. The present Charter of the United Nations does not allow for that. But we should amend the Charter to enable a representation of sub-Saharan Africa and of the Arab countries. Besides, this would create a good precedent for the European Union.

Concerning the AU and NEPAD, the European Union and other Western donors should decide whom to support, because overlapping structures tend to create problems. I think that at the moment NEPAD receives increasing support at the expense of the AU. Because of that, the AU is forced to integrate NEPAD, which in turn exposes NEPAD to infection with the AU's notorious bureaucracy and lack of efficiency.

As India was mentioned several times, I want to talk about lessons for developing countries from our development during the past decades.

To my mind, the most important condition for our successes—and there are still many problems, to be sure—was our founding fathers' democratic vision of a just society. They established ideals like freedom of speech, transparency, and the individual rights, and they set out to establish a functioning democratic system.

The freedom of capital has many advantages, but it is also a reason for corruption

The international institutions need to reflect the power structure of today's world

Chingono

Ghosh



This includes fighting corruption and improving governance. We never aspired to be the “North” of tomorrow, but decided to rely on our own resources to, so to speak, become what we are.

Let me elaborate first on our administrative structure. To make good use of our resources, Prime Minister Nehru wisely set up a planning commission which collects grass roots data about the economic and social potential and needs of the country’s different regions, towns and villages. To better disseminate information, our parliament is currently debating a right to information bill. Furthermore, India has reformed its constitution to decentralize the administration, and there is a functioning—though imperfect—judicial system.

If anybody asks me today which aspect of my country I am proud of, I answer without hesitation: democracy. It is not so important to reach the US per capita income as soon as possible. What makes me proud is that our democracy is functioning to such an extent that Andhra Pradesh Chief Minister Chandrababu Naidu lost his job. He was the IMF’s and the World Bank’s darling, but because he did not do enough for his electorate and the poor in the rural areas he was ousted nevertheless. Many Northern experts were shocked by what was a victory of democracy.

Regarding our economic system, we are often confronted with the alleged alternative of market economy versus social, socialist or social democratic principles. After having worked for nearly 25 years for the Indian government and another 15 years for international institutions, I am convinced that these aspects are two sides of the same coin. Only steady economic growth allows you to finance a better welfare state system. On the other hand, the perfect market is an ideal, not a reality, because the powerful tend to distort market mechanisms to maximize their earnings. Therefore, countries need not only a functioning regulatory system. They also need a social safety net to alleviate the negative impacts of transition and migration processes inherent to every dynamic market economy. We need sustained economic growth with a human face.

The precondition for the Indian success was our founding fathers’ democratic vision

Market economy and social democratic principles are two sides of the same coin

Hartmann

Mr. Manservisi rightly said that the EU’s goal must be to integrate the 25 different national development policies, but I think that is not the only task. There is also a grass-roots development movement largely driven by the private sector, which the EU should also try to integrate. Corporations can play an extremely important role in certain sectors of development. Let me just mention a few examples. Functioning energy and water supplies are indispensable for a successful development policy. Here, oil companies and water suppliers are very important

Sometimes, companies just need to be given some recognition to develop public courage and to get themselves involved in the policy dialog.

Hartmann

corporate actors that have for a long time been operating in a gray zone between the public and the private sector. The health sector—think of the global HIV/AIDS problem—is closely linked to the policies of a few large pharmaceutical companies. And microfinance—one of the most promising tools of development—is largely a private enterprise. In these four important areas, private actors can and should play an important role, not as an act of corporate philanthropy but because there is a hard business case for them to make a contribution.

Are we prepared to integrate those multi-stakeholder-driven initiatives into our public policies? I have the impression that these are still two very different worlds, even though there are some first steps, like the convergence of the agendas of the World Economic Forum and the agenda of Porto Alegre. I would like to suggest three ways for politicians to foster corporate citizenship. First, they can lend public support, as Tony Blair does for the Extractive Industries Transparency Initiative. Sometimes, companies just need to be given some recognition to develop public courage and to get themselves involved in the policy dialog. Second, the public sector should integrate corporate players into its policy networks where many important decisions are made and where companies could make important contributions. Third, public funding can be used to encourage companies to tackle issues of corporate citizenship when they are not at the core of their activity.

In a nutshell, Mr. Manservisi, you do not only have to integrate 25 national development policies, but also several hundred very promising business-driven initiatives, and I wish you good luck for that.

Mr. Walter, I am a bit astonished that you advocate Adam Smith's rather fundamentalist vision of a market economy. At the Faculty of Economics, we of course teach our students about Adam Smith. But we also tell them about the many criticisms that have been made over the last centuries. Your remarks underpin my impression that if we want to really develop our societies, we should consult not only economists and political scientists, but also sociologists. Otherwise, we tend to overlook important aspects of sustainable development.

Let me give you one example. As Mr. Hamzawy said, Tunisia is considered a best practice case for public sector reforms creating functioning business regulations and democratic structures. Approving foreign investments now takes three days, not one month as in Egypt. Also, according to the statistics, the number of women in the political executive has increased significantly. But the shortening of bureaucratic procedures alone does not create a more just distribution of income.

Initiatives of corporate citizenship should be integrated into public development policies

Heba Raouf

We should not only consult economists and political scientists but also sociologists when thinking about development

Statistical progress does not necessarily
reflect actual development progress

And the alleged progress in political representation comes down to nothing but a feminization of authoritarianism: There may be more women, but they have not been elected in fair elections.

Nevertheless, Tunisia is described in the American media as a “mild dictatorship.” I do not really understand the difference between a mild dictatorship and a real dictatorship. My suspicion is that the Americans call Tunisia a mild dictatorship for the simple reason that it is delivering in terms of business regulations and statistical progress toward democratization. Anybody has of course the right to be happy about changing numbers and figures. But reality is not changing and development is not achieved.

Forst

It seems to me that we have come back full circle to the theme of justice, because most of Professor Walter’s important remarks on the economic dimension of development had to do with fairness.

I would like to start with a side remark on Mr. Walter’s argument. For it seems difficult to base the assessment that globalization is unfair on the system of Adam Smith as you layed it out. The fairness you are talking about is not just the rule of law, I take it, but something more. This “something more,” however, could not be expressed in Smithian terms, because if Smith restricted his ethics to a homogeneous society, as you say, then his argument does not work on a global scale. (I leave aside here the question whether Smith does indeed limit his moral philosophy in such a way, which I doubt, if you think for example of his central idea of the “impartial spectator.”) Therefore, I am not really sure where to locate the notion of justice which your arguments were based upon.

Global institutions need to be strong enough
to exert pressure on powerful actors

Now to something more concrete. The more I hear about justice in the global system, the more I am convinced that only a reformed institutional structure would allow for real progress. With today’s distribution of power, unfairness done by powerful actors can be addressed only by public appeals, while less powerful states can be forced to comply with general rules. The Cancún Conference of the WTO in 2003 was one of the few examples where less powerful states combined their efforts to obstruct unfair treatment by the big developed nations. That did not involve an institutionalized veto, but an ad hoc coalition blocking a process. I fear that we will never manage to do something against protectionism, subsidies and monopolies that benefit the more powerful states unless we create institutions strong enough to exert pressure on these states. I do not have a plan about which institutions these should be, but we need indeed think of plausible reforms of the UN’s institutional structure.

Finally, Mr. Walter pointed to the fact that because development aid is tax money, we have a responsibility toward taxpayers when spending it. That is no doubt true, but in a global situation of unfair relations between more and less powerful states, the question of rightful taxes and rightful spending needs to be put in a broader context. Should there not be specified taxes for those profiting from the aspects of globalization that lead to ever-widening gaps in development? Do the developing countries not have a right to such forms of distribution? In that light, the idea of a tax on financial transactions is important, and a number of other proposals. The money could be used for helping the poorest people in the poorest countries and thus constitute an important step towards a more just global system.

Several speakers pointed out the negative aspects of a free global flow of goods, capitals and services. I would like to talk about what world trade in general and the WTO in particular contribute to development.

The WTO is basically a rules-based system dedicated to trade liberalization administered by its members, not by the secretariat. Its decisions are made by consensus, so that negotiations usually end when the discussions are exhausted. Those objecting to the result then have been persuaded either to put off their objections or to integrate them into the larger process.

Notwithstanding public disasters like Seattle and Cancún, we have had very positive developments, such as the launching of the Doha Round. It will comprise 148 member states as well as 29 countries and separate customs territories that are attempting to join the WTO. It will cover the liberalization of a broad range of tariffs which, contrary to what the public thinks, are maintained to a large extent by the developing countries themselves. 70 percent of the duties collected on developing country trade are applied by other developing countries.

The Doha Round will also tackle trade facilitation. This topic has not been addressed over many rounds. Problems with getting goods over the border of most developing countries add between five and fifteen percent to the cost of that good before it is distributed in the country. That is great for protectionists, but dead wrong for those who want their citizens to have the best goods at the cheapest price.

As services are growing faster in the developing world than they are in the developed, the liberalization of services is of the utmost importance. Even for small and poor countries without a functioning service industry, good financial

Klein

The essence of the WTO is reciprocity: sovereign states negotiate ...

... over commitments ...

... and what they will get in exchange



and telecommunication services will be made available through free competition. Even if these countries are only recipients, this will help the development of their economy and start the creation of functioning domestic financial services.

Let me make one thing clear. Those who are not convinced of the mutual benefit of WTO agreements are free to reject them. In a world of sovereign countries, I cannot imagine an institution other than occupying troops that can force states to do what they do not want to do. The essence of the World Trade Organization is reciprocity. Countries must embrace the idea that they have to do certain things and that they will be able to negotiate what they will get in exchange. Even those who have serious reasons not to go as far as others participate in this process. It brings them real advances in the areas of rule of law and trade facilitation. Such partial agreements also allow sharing ideas and coming to a better understanding of the problems. No government document can produce an equally rich exchange.

The WTO is not perfect, but being
a part of it is the better choice

The WTO as an organization of sovereign countries is not perfect. It is messy and sometimes very slow. Nevertheless, I think history shows that being part of it is the better choice. The developing world has been extremely agile in avoiding concessions for fifty years. The results for these countries have been tiny markets, costly trade and fewer services. I hope that some of these countries will open up in the course of the Doha Round to further the creation of wealth in their countries. It would create a more effective and, in the longer run, more just economic order.

Diamond

Ms. Klein has depicted the WTO as a successful common institution of sovereign states. I would now like to present a more critical view on sovereignty. This concept has been eroded in several ways in our globalizing world. Morally, we cannot allow governments to hide behind Westphalian sovereignty when they are murdering their own people or committing other outrageous acts that cannot be addressed in the fine legal and diplomatic procedures of the WTO. To mention one example, I am ashamed of my own country for not intervening in the Rwandan genocide and Europe is every bit as culpable in this regard. With a modest commitment of troops, hundreds of thousands of lives could have been saved. The same holds true for the ethnic cleansing affecting several million people in Darfur right now. The situation in Zimbabwe has also descended to a point far beyond what is acceptable conduct for a regime.

We should strengthen regional institutions
like the AU for their own interventions

I think that Europe and the US must make a joint effort to strengthen existing regional institutions like the African Union so that they can mobilize their own

External pressure cannot relieve societies governed by authoritarian regimes from doing their homework. Look at what happened in the Ukraine: the citizens made the decisive move.

Hamzawy

resources to intervene. As long as there is no institution that can react appropriately to blatant violations of human rights, there is no use in talking about justice. There are positive developments: ECOWAS (the Economic Community of West African States) has tiptoed in this direction. Under strong leadership of the Nigerian chairmanship they might achieve a reversal of the unconstitutional seizure of power in Togo by the old power elite. In Zimbabwe, South African President Mbeki has failed to display similar leadership as Nigeria's Obasanjo in Togo.

As to the promotion of democracy, we should no doubt be patient and look carefully at the political and social circumstances in each specific country. Nevertheless, the international community could and should demand some kind of dialog between the government and society. We should not allow a regime to claim to speak in the name of a society which has not granted it the mandate to do so. Neither the United States nor the EU can do this on their own, but a functioning transatlantic partnership could achieve real progress in this important field.

I agree, but external pressure cannot relieve societies governed by authoritarian regimes from doing their homework. Look at what happened in Ukraine: the citizens made the decisive move. As long as the silent majorities of Middle Eastern countries are not moving, no external pressure can make authoritarian regimes quit.

Nevertheless, external pressure is necessary and useful. I agree with Volker Perthes that there is no acceptable reason why regimes should not stop torture. We need to take a firm position on that. It requires clear benchmarks and a schedule stating that realistic gradual progress toward democracy cannot mean waiting for another twenty years.

We should also refrain from the easy lie that authoritarian regimes are acceptable as long as there is a functioning society and public life. Authoritarianism corrupts the soul of every society. If you accept such a regime, you will end up not only with a stagnant polity, but with a stagnant society as well.

As to sovereignty, I agree with Mr. Diamond that the international community must intervene at certain points, but we should not underestimate the demagogic force of the concept of sovereignty. In the Middle East, and probably in many other regions, complaints against violations of sovereignty are one of the most efficient tools for authoritarian regimes to rally people behind them by appealing to nationalist sentiments. We cannot rule this out. Dictators are very creative in playing the political game of sovereignty, so the international community should learn to play it, too.

Regimes must not be allowed to speak in the name of a society that has not elected them

Hamzawy

We need a schedule. Progress towards democracy cannot take another 20 years.

The demagogic force of the concept of sovereignty should not be underestimated



Manservisi

The EU will certainly not choose between the African Union and NEPAD. That is for the Africans to do. All we can say is: do not divide yourselves. The agendas of these two institutions are converging. Therefore, the EU will support both of them and hope that they find an effective way of integrating with or complementing each other.

As to private initiatives and trade liberalization, the European Union will of course support both. We will set an agenda to create better conditions for foreign investors in Sub-Saharan Africa, and we will build our development policy to a certain extent on public-private partnerships.

Let me now comment on the several ideas concerning how the EU should foster the democratization of authoritarian regimes. One of the best ways for the EU to use its modest means effectively is soft foreign policy. The Neighborhood Policy is our means to start pushing the governments of these states toward democracy by offering them a degree of integration and influencing civil society. This will probably be Europe's biggest foreign policy project over the next decade.

The EU's most effective way of fostering democratization is its "soft" foreign policy

Walter

As I cannot do justice to the rich remarks to my presentation, so let me end with a statement of Kleistian brevity. Since the US is the only truly sovereign entity today, I wish Europe to work much harder for democracy, market economy and proper regulation of both, at home as well as abroad in cooperation with multinational institutions. If you allow me to take a look into the future, though, I guess that when my daughter will come back to the 300th Bergedorf Round Table in 2030, the focus will be India and China as contenders to the still-leading US.

Sommer

Looking back at the conference, I feel like having dined off an opulent Smorgasbord. As I walked past, I put a bit of every delicacy on my plate, and every bite was delicious. I hope that all of you will take a doggy bag of food for thought back home from that scrumptious intellectual meal, as I certainly will.

von Weizsäcker

I would like to thank the participants for having understood so well what the aim of a round table discussion is: not to divide teachers from pupils but to embark on a journey of mutual learning. At this undeniably rectangular conference table, we have seen a prime example of what a round table should be.

The need for better governance applies to both North and South

Let me also make a remark on pupils and teachers of good governance. To my mind, the need for better governance applies to both North and South, even though the shortcomings do of course differ. The South lacks real democracy, re-



forms, and participation. In the North, domestic power struggles tend to take up the time of the political class without contributing sufficiently to solving internal or international problems. In the area of foreign policy, we see a dubious use of power, sometimes based on rather dubious ideological convictions, to influence other countries. It is of course very necessary to fight for freedom, democracy and justice. But the final aim of freedom, in my view, is peace and a chance for the vast majority of people to live a decent life. To implement this development program, we will need not months or years, but decades.

Maybe the participants from the South will allow me to refer once more to my own continent, and to my own country, situated at the center of that continent. The weaknesses of the European Union were discussed extensively here, but today Germany is surrounded by friendly neighbors, after having battled many of these states for centuries. Being able to live without fear of each other is, to my mind, what really marks our present stage of history. It will not be easy to achieve something similar on a global scale. Nevertheless, the idea of the European Union for good reasons shapes our thoughts when we talk about a just global order.

To achieve peace and a chance for everybody to live a decent life we will need not years but decades

